

Shots fired in Falklands dispute

British seize S. Georgia port

LONDON (Reuters). — Britain's naval task force yesterday made a successful landing on the South Atlantic island of South Georgia, recapturing the main harbour town of Grytviken when Argentine troops surrendered. The island is 1,000 km. from the Falkland Islands.

Defence Secretary John Nott told reporters that British forces were landed by helicopter and met little resistance. There were no British casualties, he said in a dramatic statement with Prime Minister Margaret Thatcher standing by his side outside her official residence, 10 Downing Street.

Earlier Britain announced that its naval task force went into action against Argentina, badly damaging an Argentine submarine in addition to landing marines on South Georgia.

The Defence Ministry said British helicopters attacked the submarine, identified as the 1,870-ton American-built Santa Fe near Grytviken. It was said to be smoking,

leaking oil, listing to port and could be aground near Grytviken.

The ministry gave no details of the landing except to say in a one-line statement: "British forces are now ashore in South Georgia." But authoritative sources said about 12 marine commandos were landed from a submarine last Thursday and reconnoitred Argentine positions ahead of the main landing yesterday.

Despite the landing, senior British officials said the peace mission of U.S. Secretary of State Alexander Haig to mediate a diplomatic settlement was still alive.

Possession of South Georgia would give Britain in effect an unsinkable aircraft carrier for further operations against Argentine forces in the Falklands.

The reported landing followed a British announcement that it had warned Argentine warships, submarines and aircraft to keep clear of the naval task force heading for the area.

Argentina's Telam news agency (Continued on back page)

Zamir bows to cabinet, Yamit rioters go free

Post Diplomatic Reporter
Attorney-General Yitzhak Zamir yesterday bowed to the cabinet's will and agreed not to prosecute the anti-withdrawal rioters who last week battled the IDF on the rooftops of Yamit. However, as Prime Minister Menachem Begin said, Zamir was under no legal compulsion to bow to the cabinet in this matter.

"If...the cabinet (believes) that in this special instance it is justified to forgive and seek reconciliation; to extend a hand of peace, I will accept the government's policy, though this is extremely difficult for me," said Zamir, following a lengthy speech against prosecutions by Begin.

Only one cabinet member, Energy Minister Yitzhak Berman, opposed the government's "advice" against prosecuting the extremists who all the participants

agreed had broken the law and had sullied the honour of the IDF and the state.

At the outset of the discussion Zamir stated bluntly: "If it were up to me, I would not pass over the matter in silence. The police are currently holding a group of some two to 20 persons against whom there is prima facie evidence they used force against IDF soldiers. To release them without charges means the same as accepting this. If my opinion were to be followed, I would expect and even instruct the police to investigate this incident and to take the appropriate measures."

Earlier, Zamir said: "I think a man can forgive (a slight to) his honour. (But) I think the army cannot be allowed to forgive (a slight to) its honour, (and) the state cannot forgive (a slight to its) honour...and we were here injured mortally. But (Continued on Page 7)

Tami ordered investigated for alleged contempt of court

By BENNY MORRIS
Jerusalem Post Reporter

Justice Minister Moshe Nissim yesterday instructed the attorney-general to investigate a number of speeches made at last week's meeting of the Tami Party Central Committee to see whether they contained statements which were in "contempt of court."

In his instruction to Yitzhak Zamir, Nissim quoted from the detailed coverage of the meeting in Ma'ariv of April 23. The minister pointed out that a number of the speakers are civil servants or teachers.

Ma'ariv quoted Asher Knafo, a teacher at the Ashdod High School and a relative of Minister of Labour, Social Affairs and Absorption Aharon Abuhatzira, as saying: "There is need to slaughter the 'holy cow' that is called the court. A number of so-called 'holy cows' have already been slaughtered in this country, and this cow must also be slaughtered. Nothing is holy, not even the court. (Judge Victoria) Ostrovsky-Cohen is a mere woman, and she has already proved that she is no saint. The law is not an absolute value in Israel; nor is strict justice. This whole trial was illegitimate."

Knafo was referring to last week's conviction of Tami leader Abuhatzira in the Tel Aviv District Court on charges of theft, breach of trust and fraud.

According to Ma'ariv, a school

principal shouted at the meeting: "There is discrimination. This trial is against the whole Sephardi community..."

Dr. Eli Bar-Hen, formerly a lecturer at Ben-Gurion University, and now a senior official in the Absorption Ministry, reportedly told the meeting: "This whole trial is a mistake. It began with a group of villains in the National Religious Party who thought that in this way they could be rid of Aharon Abuhatzira. Even if there is a final conviction (after the appeal), for us Aharon will remain innocent." Commenting on charges made against him by Tami leaders, Interior Minister Yosef Burg yesterday told Israel Radio that he had neither encouraged nor discouraged the police investigation of Abuhatzira. Talk of "corruption" that allegedly developed in his office for the disbursement of funds is, he said, "nonsense."

Burg said that if a municipality recommends that a certain institution be given public funds, the request is likely to be granted since Burg considered that the municipality's function goes beyond merely attending to sanitation. Municipalities also need cultural and other institutions, and if they see fit to support them it is not the minister's task to check on precisely how funds so allocated are in fact spent.

There are recognized procedures for dealing with such grants, Burg said, and they are adhered to.

Israel bids Shalom to Sinai

Egyptians react with relief and restraint

CAIRO (UPI). — The Egyptian-in-the-street heaved a big sigh of relief when Israel completed its evacuation of Sinai yesterday. But there were few signs of festivity, and life continued normally in this hot, crowded and noisy city.

"This is the most beautiful day of my life," shouted an Egyptian as the national red-white-and-black banner was raised at Sharm e-Sheikh by its governor, Lt. Gen. Fuad Aziz Ghali.

"It is a nightmare off my chest," said Hamdi Fuad, a 53-year-old journalist on the staff of the Al-Ahram newspaper.

Their feelings reflected the sentiments of most Egyptians, some of whom had doubted this day would ever come.

But this city of eight million people took the event in its stride. There were small parades by

military cadets. A fireworks display was scheduled for the evening. Admission to government-owned theatres was free for the day. Newspapers were snatched from newsstands almost immediately.

Otherwise, it was business as usual, pedestrians elbowing each other on the crowded pavements, cars honking in traffic bottle-necks, women dashing from one shop to the other in the city's chic avenues.

The day the Sinai was regained was, however, a day of remembrance for the slain president Anwar Sadat — the man who made it possible.

Sadat's name kept cropping up in speeches at flag-raising ceremonies, newspaper articles, official statements and the conversations of private citizens.

In tribute to Sadat, President (Continued on Page 7)



The Israeli flag is lowered yesterday for the last time at Sharm e-Sheikh. (Havakak Levison, UPI)

Interim pact on border near signing

By DAVID LANDAU
Post Diplomatic Correspondent

The IDF was poised last night to withdraw across Taba beach (500 metres) and across the other disputed tracts along the Sinai border as soon as the interim agreement between Israel and Egypt on these disputes was signed.

Officials in Cairo and Jerusalem were putting the finishing touches to the agreement. Israeli sources said it would enable civilian life — including the completion of the hotel — to continue at Taba pending settlement of the question of sovereignty over the beach.

The interim agreement provides that a committee of the two sides — with American participation if either side wishes it — will decide on how to implement the dispute-resolution procedure under Article Seven of the peace treaty in the present border dispute. The procedure under Article Seven calls for "conciliation or arbitration" to resolve (Continued on page 2, col. 5)

Egypt moves back amid vows of peace

By JOSHUA BRILLIANT
JEFFREY HELLER and
MOTTI BEN-YANAI
Jerusalem Post Reporters

"No more war. No more bloodshed. Peace forever. Salaam," declared Premier Menachem Begin yesterday as Israel quietly ended 15 years of occupation of the Sinai peninsula and for the second time handed the area back to Egypt.

President Hosni Mubarak, joining Begin in a first-ever Israeli-Egyptian television programme screened simultaneously in both countries, echoed the theme. "Tomorrow a new dawn will break and the banners of peace will be hoisted forever," he said.

The pull-out at noon was preceded by a low-key military ceremony in Ophira. But there was no ceremony as soldiers left the ruins of Yamit, where they last week razed to the ground some 600 homes. As they drove away, Beduin cheered and waved Egyptian flags, slaughtering sheep on the roadside as the soldiers moved on into Israel.

In Ophira, which now reverts to being called Sharm e-Sheikh, Tat-Aluf Aharon read an order of the day. "We are leaving Sinai primarily for our own sake. For the sake of our children and future generations,

to try to find a way other than the way of war — a way of our hand extended in peace."

But he and his soldiers were close to tears as the Israeli flag was lowered and the national anthem sung under overcast skies alongside a grey-toned Red Sea at the southern tip of the peninsula. The commanding officer told his men that if the future proves the pull-back to have been a mistake, "We shall know that our nation will unite to right the wrong." But, he added, they must be proud of Israel's experiment, which is being made so

More Reports
on Sinai
Page Two

that "we may live in peace with its neighbours."

Across the bay at Na'ama, Egyptian soldiers prepared grandstands for their own parade. Close to 2,000 Egyptian soldiers, police and officials were already in southern Sinai yesterday. Two unarmed Egyptian soldiers took up their positions on guard outside the building that is to house Israel's consulate in Sharm. But the town itself was abandoned, for its 1,500 settlers left well ahead of the pullback, and (Continued on Page 2, Col. 2)

Eilat can visit Sinai without visas

Jerusalem Post Staff

EILAT. — Egyptian Consul Hassan Eissa yesterday told Eilat Mayor Gad Katz that residents of the town and their guests would be allowed to travel freely in Southern Sinai via the Taba terminal by simply showing their town resident's card.

No visas would be required on condition the visitors stayed no longer than 48 hours in Sinai, he said. Other Israelis are promised quick processing of visa requests. Katz was given the first permit to cross the border yesterday, stamped "No. 1."

The Egyptian consulate is temporarily housed in the Laromne Hotel. The Egyptian flag flies outside the building. Eissa is staying at the hotel until the apartment he has rented is ready.

The border terminals at Rafah

and Nitzana are expected to be opened this morning, one day later than originally scheduled.

The last-minute delay forced some 16 buses with Egypt-bound tourists to return to Tel Aviv and several Arabs coming from Egypt to spend the night in Eilat.

A small crossing point is scheduled to open inside Rafah today. It will serve some 150 residents who live on one side of the border and own fields or shops on the other.

The authorities have the people's names. Those coming from the Egyptian side will leave their identity card at the Israeli checkpoint and pick up a special card to move around here until they cross back into Egypt. The Egyptians will issue passes to people living on the Israeli side of the town.

Mubarak telephones Begin and pledges 'peace forever'

By BENNY MORRIS
Post Diplomatic Reporter

Egyptian President Hosni Mubarak yesterday made a gesture of friendship to Israel by telephoning Prime Minister Menachem Begin during the weekly cabinet meeting, which was devoted largely to the completion of the Israeli pullback from Sinai.

Mubarak reportedly reiterated his commitment to the continuation of the peace process and, following Begin's lead, repeated the pledge to uphold "peace forever." "Begin repeated the phrase two or three times during the phone conversation," said a senior government source.

The source refused to comment on whether Begin again invited the Egyptian leader to visit Israel — a visit that had been scheduled for before the Sinai withdrawal, but which failed to take place because of disagreement over whether Mubarak would include Jerusalem in the venue.

During the talk, Begin asked

Mubarak to give his regards to his "friends," Minister of State for Foreign Affairs Butros Ghali and Foreign Minister Kamal Hassan Ali.

During the cabinet meeting, Begin read out a message he sent yesterday to Jehan Sadat, widow of assassinated Egyptian president Anwar Sadat.

Begin wrote: "Our hearts, madam, go out on this day to you and the children and grandchildren. Anwar Sadat, of blessed memory, should have been with us to see the glory of his efforts to make peace and achieve reconciliation between the good peoples of Egypt and Israel. To prove that his memory did not die, that it will live forever in the hearts of women and men of goodwill, we all have to work for the sacred cause: 'No more war, no more bloodshed, Peace, Salaam, Shalom between our nations.'"

"We embrace you, our dear friend, Aliza and Menachem Begin."

7 new settlements for West Bank, Golan

Jerusalem Post Reporter

The Ministerial Committee on Settlement yesterday approved plans for seven new settlements and towns for the West Bank and Golan.

At a joint meeting with the World Zionist Organization, the committee approved the establishment of a new regional centre in the northern Golan, five new settlements in Judea and Samaria (Elkana "D", Yakir "B", Elkana "C", Ganei Modi'i and Na'aleh "E") and an

urban settlement to be called Neot Adumim between Ma'aleh Adumim and Arad on the southern extension of the Allon Road.

The approval of the settlement plans perhaps inadvertently echoed Defence Minister Ariel Sharon's statement in his Order of the Day published yesterday that "Israel had now reached the red line of its concessions...we shall turn to increasing and consolidating our settlements on the Golan Heights, in Judea, Samaria and the Gaza District."

Mob occupies West Bank police station

By DAVID RICHARDSON
Jerusalem Post Reporter

Three people were injured and a crowd attacked and occupied a police station yesterday in a day of disturbances in the West Bank, as some of the local population protested what they see as Egypt's "separate" peace with Israel.

In a violent demonstration in the Kalandiya refugee camp north of Jerusalem, crowds of youths waving Palestinian flags and wielding stones and knives clashed with border policemen in the early afternoon. According to local reports four people were wounded when the troops opened fire, but military sources reported two injured. A spokesman

for the Al-Makassad hospital in East Jerusalem said that they had received one youth who had been shot in the head. He described his condition as "very serious." Kalandiya was placed under curfew.

Earlier in the day a crowd estimated at several hundred attacked and occupied for some time a police station in the village of Tubas in the Jenin district. The demonstrators first sealed off the entrance to the village with a barricade of stones and burning tires and then turned on the police station, stoning officers and injuring a local policeman. They managed to break into the building but were later driven out by troops who used tear

gas and fired shots in the air. Before the soldiers arrived, masked demonstrators burst into one of the local schools and urged the students to join them, according to military sources. One girl pupil was injured during this attack. Tubas was also placed under curfew.

A group of prison warders on their way to work in the Hebron jail were bombarded with rocks and bottles as they drove past the village of Beit Omar yesterday morning. They extricated themselves by firing shots in the air.

Military sources reported minor disturbances in Nablus, Ramallah, (Continued on back page)



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FRANKFURT	8	12	Clear
GENEVA	6	9	Clear
HILVERSUM	4	10	Clear
HONG KONG	21	26	Cloudy
JOHANNESBURG	7	12	Clear
LONDON	12	14	Clear
MADRID	12	14	Clear
MONTREAL	7	10	Clear
NEW YORK	12	15	Clear
OSLO	2	11	Clear
PARIS	4	10	Clear
RIO DE JANEIRO	18	27	Clear
SAO PAULO	18	21	Cloudy
STOCKHOLM	5	11	Clear
TOKYO	13	15	Clear
TORONTO	7	10	Clear
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ZURICH	2	10	Clear

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THE WEATHER

Forecast: Cooler

City	Yesterday's	Today's
Jerusalem	19	17-25
Golan	25	16-24
Nahariya	25	15-23
Safed	23	15-23
Haifa Port	23	15-23
Tiberias	23	15-23
Nazareth	16	15-21
Afula	27	16-24
Shomron	25	18-21
Tel Aviv	24	18-20
B-G Airport	33	18-25
Jericho	17	20-27
Beersheva	65	18-23
Eilat	43	16-24

SOCIAL & PERSONAL

Irish Ambassador Sean Ronan last night attended the screening of James Joyce's *Ulysses* and a short documentary on Joyce's Dublin to mark the centenary of the Irish author's birth. The evening was organized by the Israel-Ireland Friendship League and was held in the Jerusalem Cinematheque.

Mr. Sidney Musher, of New York, president of the P.E.F. Israel Endowment Fund, yesterday was awarded an honorary fellowship by the Hebrew University of Jerusalem in tribute to his support of the university. The ceremony was held at the Meiersdorf Faculty Club and chaired by University president Avraham Harman.

Dr. Solomon H. Green has been appointed secretary-general of the International Conference of Jewish Communal Service, it was announced by Ralph Goldman, president of the ICJS, and Yehuda Dominick, associate president. Dr. Green is associate dean of Yeshiva University's Wurzweiler School of Social Work.

Mr. W.H.M. Ayers, for many years commercial director, and since 1975 managing director of I.C.I. (Israel) Ltd., will leave Israel in early May on retirement to the U.K. Mr. A.L. Gradman, present commercial director, has been appointed managing director in his stead.

In Memoriam

A memorial service for the late Finnish ambassador Paaso Helminen will be held tomorrow at 9 a.m. at the Immanuel Church, 9 Rehov Ber Hofman in Jaffa.

Helminen died last week in Tel Aviv, a year after he assumed his post. His coffin will be flown tomorrow afternoon to Helsinki, accompanied by his widow Majla and by his youngest son Risto.

The side-de-camp of the president, the dozen of the diplomatic corps, U.S. Ambassador Samuel Lewis, and senior Foreign Ministry officials were among the dozens of diplomats and friends who last week signed the book of condolences at the Finnish Embassy in Tel Aviv.

ARRIVALS

Robert Loup, newly elected national chairman of the UJA, and Irving Bernstein, executive vice-chairman of the UJA, for meetings with government leaders and the Jewish Agency Executive.

Joseph Flekstone, foreign editor of *The Jewish Chronicle*, London, on a fortnight's editorial assignment.

Costa Rican officials

here for week's visit

Costa Rican Vice-President Falt Lizano and Deputy Agriculture Minister Alvaro Rojas Cordero arrived yesterday with a number of aides for a week's working visit as guests of the Foreign Ministry.

They were met at the airport by Economic Minister Ya'acov Meridor and Foreign Ministry officials. (Itim)

HOME & WORLD NEWS



The last of anti-withdrawal diehards, carrying Torah scrolls from the Yamit synagogue, file slowly out of the devastated town yesterday. (Yitzhak Elharar, Scoop 80)

'Sunday Times': Yekutiel Adam to head Mossad

Prime Minister Menachem Begin has decided to appoint Aluf Yekutiel Adam to head the Mossad, Israel's intelligence services, *The London Sunday Times* reported.

The newspaper said that Adam, "war hero and former deputy chief of staff," was appointed to the new post against the wishes of Defence Minister Ariel Sharon and upon the orders of Menachem Begin.

Adam will take over the post at the end of June, the paper said.

Adam is considered to be a moderate and has already served in the Mossad in various research and analysis posts, *The Sunday Times* said.



The new border fence splitting their town in two seems to be a source of much amusement yesterday to these young Rafah residents. (IPPA)

SHALOM SINAI

(Continued from Page One)

without any of the violence that marked Yamit's last days.

Israeli soldiers, pulling out of Yamit yesterday were still awed by seeing a city in ruins, razed to the ground by army bulldozers after violent clashes between IDF soldiers and members of the Stop the Withdrawal in Sinai movement.

Early yesterday morning, after prayers at the Sephardi synagogue where they had spent the Sabbath, the last of the movement's activists in Yamit rent their clothes, took out their Torah scroll, fell on the ground and kissed the dust of the town, and walked in procession, mournfully reciting psalms as they went, to what had once been the gate to the town.

The original small group permitted to stay on until the army left was joined late on Saturday night by some 250 anti-withdrawal members.

Another group of 10 diehards, formerly of the illegal settlement of Hatzar Adar, set up another "settlement" near the former Moshav Dikla. They were later removed by the army.

But movement leaders claimed yesterday that despite the army's helicopter searches of the surrounding dunes, another 20 to 30 of their supporters remain in hiding in the area, "to maintain an Israeli presence."

In the nearby town of Rafah, now divided into an Israeli and an Egyptian sector, excitement rose to fever pitch on Saturday as dignitaries poured in from the Gaza Strip towns in a celebration that soon turned into a Palestinian demonstration. Troops used tear gas and fired into the air to disperse crowds. Yesterday the crowds were again out on the street, chanting, "Rafah is Palestine!" and burning tires. Shots were fired again, but no casualties were reported.

Multi-national Force and Observer troops moved round the area freely yesterday, with one MFO officer reporting that Beduin were flying Egyptian flags and hanging up white banners to welcome the Egyptians.

An Egyptian lieutenant near the Kerem Shalom crossing point, where soldiers sit in tents alongside a hut daubed with a Halt the Withdrawal slogan, expressed pain at the destruction of Yamit. "Is this peace?" he asked. He had expected Yamit to be "a city of peace in Sinai, a gift from Israel to Egypt, the first country in the area which opened its heart to the Israelis."

On the Red Sea coast, Egyptian truck drivers, heading south, flashed their lights and smiled at the Israeli convoy driving north. Overhead, a flight of Kfir jets flew in low formation, silver-grey against the clear afternoon sky and red-tinted mountains, in a final salute to Sinai.

CLUB. — The English-speaking friends of the Association for the Welfare of Soldiers in Israel has started a campaign to raise \$10,000 to furnish a paratroopers' club.

Leaders pledge lasting peace in joint television programme

Jerusalem Post Staff

In the first ever joint Israeli-Egyptian television production, Prime Minister Menachem Begin and President Hosni Mubarak yesterday reaffirmed their commitment to a lasting peace.

During the hour-long programme that was translated into both Arabic and Hebrew, Begin emphasised the "great sacrifices" made by Israel under the terms of the peace treaty, while Mubarak stressed his country's "sacrifices" of over 100,000 casualties in wars with Israel, adding that the two countries must be "good neighbours, and have mutual respect."

"Tomorrow, a new dawn will break and the banners of peace will be hoisted forever," he said. "In the coming phase we have to realize the aspirations which millions of people everywhere pin on our pioneer experiment," the Egyptian president said.

Speaking to reporters in Cairo yesterday, Mubarak reaffirmed Egypt's commitment to peace, saying "our relations with Israel will go on as planned." He said that he has no precise plan for improving relations with other Arab countries, but insisted that "we are ready to discuss matters with them, but not at the expense of our relations with Israel."

U.S. President Ronald Reagan telephoned both Begin and Mubarak yesterday to praise the "risks" they had taken in the interests of peace.

A White House spokesman said yesterday that Reagan viewed Israel's withdrawal from the Sinai as a "truly major sacrifice," opening a new era in its relations with Egypt. He added that Reagan also admired the "courageous Egyptian initiative," and said the president was determined to work "with renewed vigour and dedication" for a Middle East settlement under the Camp David process.

Appearing on NBC-TV's *Meet The Press*, Begin said that a letter from the U.S. president, reaffirming Washington's commitment to Israel's security, had been a major factor in the decision to proceed with the withdrawal. Interviewed live from Israel, Begin said he did not believe U.S. policy would now harden toward his country, then added: "But if anytime we face pressure, we shall press back."

In an interview published in this morning's *Mayer* weekly newspaper, Begin told the Cairo publication that the evacuation of the Sinai was not a retreat, but "an advance toward peace." He said the evacuation of Israelis from Yamit and the destruction of the town was "a big tragedy and a big sacrifice, but we had to do it."

At the same time, Begin said, he would send troops into Lebanon to "destroy" the PLO if the terrorists failed to abide by the cease-fire.

Kimche and party flew back before dawn, and reported to the cabinet. Defence Minister Ariel Sharon was reportedly dissatisfied with the evolving agreement, apparently because it envisages a role for the U.S. in the procedural committee. But he was voted down by a large majority of the cabinet.

The negotiations continued during the afternoon and evening in the two capitals.

Schmidt praises ME statesmen

In a statement issued yesterday on the occasion of Israel's withdrawal from the Sinai, West German Chancellor Helmut Schmidt commended the courage of the statesmen on both sides and said the peace had broken the sinister circle of mistrust and violence.

"My respect goes to the courageous statesmen in Israel and Egypt who made peace possible," Schmidt said. "They have done so against all external and internal resistance and — I bear in mind particularly my assassinated friend Sadat — at the risk of their lives. It is a first, indispensable and large step towards a comprehensive, just and lasting peace in the entire region."

Peres says withdrawal had 'too many errors'

TEL AVIV (Itim). — Opposition leader Shimon Peres last night said he appreciates Prime Minister Menachem Begin's difficulties during the last phase of the Sinai withdrawal, but "God forbid we should repeat in future" the many mistakes made by the government.

Peres told an Israel Television interviewer that he had refrained from criticising the government, but "personally, it could have been done differently and Yamit left as a monument or contribution to the peace."

Peaceful pomp marks final Sinai transfer

CAIRO. — President Hosni Mubarak yesterday laid a wreath at the war memorial in Martyrs Square, starting a day of low-key celebrations marking Israel's withdrawal from Sinai after 15 years of occupation.

Mubarak also visited the tomb nearby of assassinated president Anwar Sadat, who initiated peace with Israel about five years ago.

The 10-minute ceremony was attended by armed forces representatives and senior officials. Brief flag-raising ceremonies were also held later in the day at Sharm e-Sheikh in the south and Rafah in the north.

It was a normal working day for Egyptians, with no signs of celebrations. Foreign Ministry sources said the minimum celebrations were in response to an Israeli government request.

At Sharm e-Sheikh, an Israeli army seren lowered the national flag at 7.30 a.m.

A little more than five hours later, the Egyptian Governor of Southern Sinai, Lt. Gen. Fuad Aziz Ghali, a hero of the 1973 war, wept as he raised the Egyptian flag. A modest crowd of 300 people shouted, "Long Live Egypt."

A celebration tent decked with red oriental carpets was set up 100 metres from the border with the Gaza Strip for the second Egyptian ceremony near Rafah, which is divided by the new border.

A band played and Beduin boys clambered onto the roof of the newly built customs shed to watch the red, white and black striped flag of Egypt being raised.

Ninety minutes after the Israeli occupation officially ended, residents of the town began shouting: "Down with Zionism. No Zionists after today." (Reuter, AP).

INTERIM PACT

(Continued from Page One)

disputes which cannot be resolved by negotiation.

Meanwhile, the interim agreement says, Israel will withdraw its forces to the Egyptian-proposed line, and Egypt will advance to the Israeli-proposed line. The disputed area itself — at Tabā and at the 14 other disputed points along the border — will be supervised by the Multinational Force and Observers (MFO).

The thirteenth of these 14 points involves a stretch of land 1.65 metres wide.

Israeli sources said last night they were well-pleased with the interim agreement, because it "satisfied Israel's requirements on two key points: civilian life is to continue at Tabā pending a final settlement, and no time limit is set for the process of dispute-resolution or for the (prior) work of the procedural committee. "It depends on the good faith of the two sides," a high Israeli negotiator explained.

The negotiations over the border dispute went on virtually around the clock, since Saturday evening when the Israeli team under Foreign Ministry Director-General David Kimche flew back to Cairo to meet with the Egyptian delegation under Minister of State Butros Ghali.

Kimche and party flew back before dawn, and reported to the cabinet. Defence Minister Ariel Sharon was reportedly dissatisfied with the evolving agreement, apparently because it envisages a role for the U.S. in the procedural committee. But he was voted down by a large majority of the cabinet.

The negotiations continued during the afternoon and evening in the two capitals.

Begin: Pullout delayed for Kahane's 'mission'

By BENNY MORRIS
Post Diplomatic Reporter

Prime Minister Menachem Begin said at yesterday's cabinet meeting that he and Defence Minister Ariel Sharon had postponed the eviction of the anti-withdrawal diehards from Yamit by half a day to enable Kach leader Rabbi Meir Kahane to reach the embattled town and persuade his followers there not to commit suicide.

"Rabbi Kahane is no friend of mine — and will not be one," Begin told his cabinet colleagues. He recalled that when he visited Kiryat Arba in Judea more than a year ago, Kahane and his followers "called me names...that, in order not to blaspheme, I will not repeat."

But early last week, Begin recounted, parents of Kahane's followers holed up in the Kach "suicide" bunker came to him "with tears in their eyes" and pleaded that he do all in his power to prevent their children from harming themselves. The Kach followers had threatened to commit suicide if the area was returned to Egyptian sovereignty.

Kahane eventually arrived from the U.S., entered the bunker and with the help of the two chief rabbis helped to dissuade his supporters from the threatened mass suicide.

"So I personally — I did not ask the cabinet's agreement in this, that is my right. I sent a letter...to Rabbi Kahane and I wrote him: Our views are different — and so they will remain — but I thank you for what you did, in persuading your friends not to commit suicide. And I concluded the letter: 'It is good to live in our land' — so that he and his friends shall know that there is no

reason to commit suicide or to kill another," said Begin in the cabinet.

On Friday, Begin sent letters of gratitude to Chief Rabbi Shlomo Goren and Ovadia Yosef.

At yesterday's cabinet meeting, Begin read out letters of thanks he had sent to Sharon, IDF Chief of Staff Rav-Aluf Rafael Eitan, OC Southern Command Aluf Haim Erez and Police Inspector-General Arye Itzhan.

In the letter to Erez, Begin said that he and his soldiers had carried out "the most difficult order that was ever handed down to a commander in our army or in any other army in any country."

In an apparent reference to an incident in which Erez or some of his soldiers had shed tears, Begin wrote: "The tears of a man, a soldier and a commander — nothing is more sacred."

The longest letter was directed to Sharon, whom press reports have insisted in recent weeks opposed the completion of the Sinai withdrawal. Begin said that Sharon was instructed to evacuate the area "without the shedding of blood" and that his soldiers "carried this out with perfection, thanks to initiative and the love of Israel."

In his letter, Begin cited Sharon's own career in the IDF, mentioning especially his command of the division "that brought the IDF within 110 kilometres of Egypt's capital" after crossing the Suez Canal and encircling the Egyptian Third Army. "Now it must be credited to you that in this unprecedented operation, not one drop of Jewish blood was shed," wrote Begin.

Sharon explains reasoning for late evacuation of Yamit

Post Diplomatic Correspondent

Defence Minister Ariel Sharon asserted last night that he had kept Premier Menachem Begin informed on "all stages" of the Sinai withdrawal, including the decision to demolish Yamit.

Sharon in effect confirmed that it was he and Begin who had decided on the demolition, as reported in yesterday's *Jerusalem Post*.

In a lengthy statement tracing the decision-making around the Sinai withdrawal, Sharon confirmed, too, that the demolition was undertaken primarily to prevent anti-withdrawal diehards from returning to buildings from which the army had evicted them.

"The evacuation of Yamit involved a great struggle, and it was not possible to ensure its completion on time without demolishing the buildings or dismantling and removing them — because the evacuees would keep returning to the evacuated buildings."

Sharon noted that the war memorial at Yamit was destroyed at the specific written request of the families of the fallen soldiers commemorated at the site. An identical memorial is to be erected inside the new-old border.

Sharon referred to the Sadat-Begin summit at Ophira in June 1981 when Israel informed Egypt that it would try to dismantle and remove whatever it could from northern Sinai. In southern Sinai — Ophira and the other resorts — the arrangement reached was for Egypt to buy virtually everything intact.

Sharon recalled the cabinet pressure on him to begin the withdrawal last year — pressure which he resisted on the grounds that "constant, continuing clashes with the anti-withdrawal activists would only strengthen their movement and draw thousands of enthusiasts into the struggle."

In January 1982 Sharon reached an agreement with Egypt that would enable Israel to evacuate movable equipment from the northern Sinai area even after the withdrawal. But as the anti-withdrawal movement gathered strength, Sharon went on, he had to inform the Egyptians in March "that there is no option but to remove or demolish every single building before the withdrawal would keep reoccupying them."

With a special Treasury allocation of \$250 million, the Defence authorities were able to dismantle and remove most of the buildings and all of the agricultural equipment from the moshavim around Yamit. Those buildings that could not be removed were destroyed.

Maccabi TA loses — but wins championship

Jerusalem Post Reporter

TEL AVIV. — Maccabi Tel Aviv won the national basketball league championship last night for the 13th year in a row, despite a final game loss to Hapoel Ramat Gan 108-99, in overtime, to break a 94-94 tie. Maccabi led 56-36 at the half.

The untimely passing of

H.E. PAASO H. HELMINEN

Ambassador of Finland to Israel

is deeply mourned by us.

Our sympathy and condolences to the family.

Oy Tampella Ab
Timber Division
P. Nyqvist B. Borgström

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Nathan Paas and family

We announce the death of the head of our family, a proud Jew and devoted Zionist, in the eighty-eighth year of his life.

JOSEPH SCHENKER

(Formerly of Richmond, Virginia)

Children: Abraham and Sima Altman Schenker
Shirley and Dov Baril
Irving and Gilda Schenker (Washington, D.C.)
Sister: Jean Stone
Grandchildren: Hillel, Naomi, Rachel, Nathaniel, Irit
Great-Grandchild: Rama Chaya
and the family in Israel and abroad.

Funeral will take place at the Holon Cemetery (new entrance) at 11 a.m. on Monday, April 26.

On the 30th day of his passing, the devoted friends of

DAVID ALON

deeply mourn his tragic and untimely death and extend heartfelt condolences to

Rachel, Noya, Tal, Chen and the entire Alon family

We wish to thank all who shared our grief and expressed their condolences orally and in writing on the death of our beloved

EZRA MIZRACHI

Mrs. Florrie Mizrachi and Family

The Medical Staff and nurses of the Dept. of Neurosurgery, of Hadassah, Ein Kerem:

We Thank You

for the special care and attention given to Seew Bagkiansky.

Our sincerest appreciation.

His wife — Liuba Bagkiansky
Paul Bagkiansky, relatives and friends

New movement vows to return to Sinai

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Tension and bewilderment yesterday gripped the National Religious Party, Tehiya and the Likud as they attempted to ascertain whether a new militant nationalist and religious party — Shvut Yisrael (The Return of Israel) — has indeed come into the world.

As the last anti-withdrawal campaigners left the Sephardi synagogue of Yamit — the sole building left standing in the demolished town — they announced that the Stop the Withdrawal Movement is now being converted into Shvut Yisrael — a movement dedicated to the eventual return of Israelis to Sinai and the rebuilding of the settlements that had existed there.

But the founders of Shvut Yisrael themselves could not agree on whether the movement which they have established is a bona fide new political party or an extra-partisan movement whose members are to be recruited from a variety of political backgrounds.

Those present at the last service conducted in the synagogue later issued conflicting reports about what Shvut Yisrael was. Bnei Akiva mentor Rabbi Zvi Neriya argued that the movement "is a full-fledged political party which would contest the next elections," although he himself would not be among its

Knesset candidates.

He reported that for the time being it had not yet been decided whether Rabbi Haim Druckman MK of the NRP, also one of the Shvut Yisrael founders, would bolt the NRP Knesset faction now or whether the split would come during the campaign for the next Knesset.

But Druckman himself was far more cautious. He said last night that for the time being he was staying in the NRP and would fight Shvut Yisrael's battles within the NRP. Sources close to him predicted that Druckman plans to re-enter the coalition to safeguard the future of Judea and Samaria, as well as Gaza.

The possibility that at least an embryo party has been formed has especially sent shock waves through the NRP, which fears a further erosion of its power. If Druckman does bolt the faction, the party would no longer even be entitled to two cabinet seats. Although no NRP minister is likely to be fired, a portfolio might be removed from the party.

Likewise Tehiya was worried about competition from another nationalist party that could draw away its young religious supporters. The Likud coalition is wary of such a party for fear that it would prevent Druckman's return to the coalition and thus cost it its majority.

Kahane says he was jailed despite official promises

By ABRAHAM RABINOVICH
Jerusalem Post Reporter

Rabbi Meir Kahane said yesterday that a new case had been opened against him for entering the bunker in Yamit to dissuade his followers from carrying out their suicide threat. This, despite the fact that Kahane returned here from the U.S. to do just that, after an administrative detention order against him had been suspended to facilitate his entry to Israel.

Speaking at a press conference yesterday, the Kach leader said that he had been released from jail in Ashkelon on Saturday night at the intersection of Ashkenazi Chief Rabbi Shlomo Goren.

Kach will now move for the "dismantlement" of the mosques on the Temple Mount, Kahane said, adding that he would attempt to meet with officials of the Waqf (Moslem religious trust) tomorrow to discuss the matter.

Although he had no connection

with Alan Goodman, the gunman who allegedly shot his way into the Dome of the Rock two weeks ago, Kahane said that the incident had raised the subject of the mosques as a public issue. He said that he would meet with Goodman tomorrow.

Kahane said it had taken him two and a half hours of persuasion after reaching the bunker Wednesday before the group agreed to abandon its intentions.

Two-thirds of the group were American immigrants and the remainder Israelis, except for one Russian immigrant. Half the group was under 20, said Kahane, and three were young women.

He denied reports that the suicide pact had been imposed by the leader of the group, whom he identified as 19-year-old Yehuda Richter, a student at the Yamit Yeshiva who immigrated from Los Angeles three years ago. The women had been even more determined in this respect than the men, he said.

He denied reports that the suicide pact had been imposed by the leader of the group, whom he identified as 19-year-old Yehuda Richter, a student at the Yamit Yeshiva who immigrated from Los Angeles three years ago. The women had been even more determined in this respect than the men, he said.

"The gate that opened to let Jews out of Russia in the seventies has almost closed, for the time being. But my long involvement gives me hope that it will open again."

Ida Nudel in Moscow: My spirit is not broken

Jerusalem Post Correspondent

LONDON. — Refused entry to Israel, Ida Nudel has reaffirmed that she wants to go to Israel. In an interview in her Moscow flat, published in yesterday's Sunday Telegraph, with author Lynne Reid Banks, Nudel said that she wanted more than ever to emigrate.

"The authorities wanted me to keep quiet, to keep the level of out-

side protest low." But she has decided to talk to the press, "to prove to everyone that my spirit is not broken, that basically nothing has changed. I had to state my position — that I am not satisfied simply to be back in Moscow.

"The gate that opened to let Jews out of Russia in the seventies has almost closed, for the time being. But my long involvement gives me hope that it will open again."



Two instructors from the Israel Parachuting Club celebrate Independence Day early this year by opening the national flag while free-falling before they opened their chutes.

(Zoom 77)

Memory of fallen honoured tonight

By JUDY SIEGEL
Jerusalem Post Reporter

A two-minute siren will sound at 8 tonight throughout the country in memory of the men and women who fell in Israel's wars.

The central Memorial Day ceremony begins at the Western Wall in Jerusalem immediately following the siren, in the presence of President Yitzhak Navon and Israel Defence Forces Chief of Staff Rav-Aluf Ahiel Eitan. A representative of the bereaved families will kindle a memorial candle at the ceremony.

All national flags will be lowered to half staff during Memorial Day, until they are raised tomorrow night in celebration of Israel's 34th Independence Day. Citizens are asked to light memorial candles in their homes tonight in memory of the fallen soldiers.

An assembly of bereaved families will be held at 5.30 p.m. today at the Yad Le'Banim memorial in the capital, with a speech by Foreign Minister Yitzhak Shamir.

Another memorial service is scheduled for the plaza opposite the

central bus station in Jerusalem at 7 a.m. tomorrow. A beach will be kindled from the memorial lit at the Western Wall. Bereaved families and representatives of the state underground movement, as well as new immigrants and military officials, will be present.

Another two-minute siren will sound at 11 a.m. tomorrow, signalling the commencement of military ceremonies at all the state cemeteries and monuments to the fallen around the country. Members of the cabinet and of the Knesset will represent the state at these ceremonies.

A memorial wall with the names of the fallen sons of the war wounded will be unveiled tonight at Beit Halochem in Tel Aviv.

At 6:40 p.m. tomorrow, a ceremony marking the 100th anniversary of Memorial Day will be held at the central bus station.

Banks and various other businesses will close tomorrow because of Memorial Day, and will not reopen until after

Independence Day.

An exhibition of paintings and drawings on "Jerusalem — War and Peace" will be open to the public at the Yad Le'Banim memorial in Jerusalem, the works of the late Ludwig Blum, a distinguished citizen of Jerusalem, who took part in the War of Independence, will be included in the exhibition. A memorial ceremony for the fallen of the Jerusalem Brigade is scheduled for the Schneller compound at 8 a.m. tomorrow.

The sorrow of Memorial Day ends and the joy of Independence Day begins during the central state ceremony at Mt. Herzl in Jerusalem tomorrow evening at 6:45, where 12 young people aged seven to 20 will kindle beacons representing the achievements of 100 years of settlement in Eretz Yisrael, the theme of this year's Independence Day.

Fireworks will light up the sky in many cities and towns, and many hundreds of thousands are expected to take to the streets to enjoy entertainment events organized by local authorities.

Government funding to opera stopped

Jerusalem Post Reporter

The Education Ministry yesterday notified the Israel National Opera that it intends to implement the recommendations of numerous critics and musicians, and cut off all government aid starting next month.

This will probably put the opera off the stage for good, since its income covers only 10 per cent of its expenses, and it is \$4m. in debt. The opera's director, Simha Even-Zohar, said last night that a final decision on the opera's future will be made today by its public council.

For most of its 34-year career the

opera has been under intense critical attack. Since 1978, committees appointed by the ministry and musical experts from home and abroad have recommended that the opera be closed or at least undergo a thorough artistic and administrative overhaul.

The National Arts Council, the ministry body that has funded the opera until now, recommended an alternative way to maintain opera in Israel. It said that it would encourage the formation of opera workshops affiliated with the country's music academies, local orchestras and choirs.

Health team in Cairo to discuss cooperation

Jerusalem Post Reporter

The first official Health Ministry delegation to Egypt left yesterday for Cairo for a five-day visit to discuss possible cooperation between the two countries, the ministry announced yesterday.

The delegation is headed by Dr. Baruch Modan, the ministry's director-general, and includes Dr. Ram Yishai, chairman of the Israel Medical Association, ministry scientists and others.

Egypt is to reciprocate with a visit here next month. The Egyptian delegation is to be headed by the deputy-minister of the Egyptian Health Ministry.

Energy inventor Shatz files fraud charges

By YITZHAK OKED
Jerusalem Post Reporter

TEL AVIV. — American inventor Kenneth Shatz yesterday lodged an official complaint with the fraud department at National Police Headquarters against Daniel Berman, who claims to have invented the so-called revolutionary energy-saving device sponsored by Economic Minister Ya'acov Meridor.

Shatz, who claims the invention is his, told The Jerusalem Post that since he is leaving the country this week, he submitted to the police a copy of an affidavit filed with his lawyers, explaining how his energy invention had reached Berman.

Shatz told the police that Berman took, and apparently disposed of, a unit of his without his or his partner's knowledge, under a contract which he never signed. He refused Berman's statement that Berman had bought the unit.

The lawyers of the Gas-On company which is developing the device reiterated to The Post yesterday that their device works according to different principles from Shatz's.

Yesterday, after a quick glance at what is believed to be the Gas-On workshop, Shatz admitted that Gas-On seems to be working on a different principle from his. "They seem to be trying to work on gas, while I originally used liquid ammonia. But they cannot use this

principle because I also have a patent on the use of gas for this unit."

Gas-On officials have refused to show Shatz's prototype. The company's lawyers claim they bought the prototype from Berman in good faith, and say Shatz should turn to Berman with any complaints.

Berman instead turned to private detective Gideon Kadman, who managed to locate in Ramat Hasharon what is believed to be the workshop where Meridor's people are experimenting. It is a 10 metres by 10 metres workshop, with very little equipment or furniture. In one corner is what is believed to be the invention, mostly a collection of small pipes.

The workshop was closed, and Shatz had to peek at the invention through the window.

He later told The Post, "It looks as if they are back where we started over three years ago. Our prototype was condensed and made smaller after we had experimented as they are doing now. I have a picture of the old unit, and it looks just like the unit here."

Questioned whether this unit was the same as the one he had sent, Shatz said, "no," but he said there were many similarities. "They seem to be searching for pathways to move the gas in. The whole secret is making the pathways, and then the whole invention works. From what I saw they are going at it backwards."

Arlosoroff commission delays inquiry

By BENNY MORRIS
Post Diplomatic Reporter

The state commission appointed to investigate the 1933 murder of Labour Zionist leader Haim Arlosoroff has delayed the start of its work because of the final withdrawal from Sinai.

This emerged from a letter sent yesterday by outgoing Supreme Court president Moshe Landau to Prime Minister Menachem Begin.

The letter, the justice's response to Begin's letter of March 15 requesting Landau to appoint the commission, was read out by the premier at yesterday's weekly cabinet session.

In the letter, Landau informed Begin that he has appointed David Bechor to chair the body and Rabbi

Eliezer Berkovits and Dr. Yoav Gelber as members.

Landau wrote: "Judge Bechor has informed me that because of the recent events which have thrown the public into turmoil, he has decided, in agreement with the commission's other members, to wait until the atmosphere prevailing in the country quiets down before the commission starts work."

Bechor is a retired justice of the Supreme Court.

Gelber is an historian of the

Yishuv and the Holocaust, attached to Yad Vashem.

Berkovits is former head of the

philosophy department at the

Hebrew Theological College of

Chicago. He has written a number

of works on Jewish philosophy and

law.

Yakir Plessner named to Bank of Israel post

Post Economic Reporter

The nomination of Yakir Plessner to the post of Deputy Governor at the Bank of Israel was approved by the cabinet at its weekly meeting yesterday.

Plessner, 47, is a graduate of the Hebrew University and Iowa State University. He is at present economic adviser to Finance Minister Yoram Aridor. Prime Minister Menachem Begin and Deputy Prime Minister Simcha Erlich supported the nominators.

Plessner in the past has criticized the policies of large and rapid devaluations, and is known for his close relationship with the Treasury Director-General Ezra Sadan.

In recent weeks Plessner has been

active in designing the Treasury's wage policy and is expected to continue to advise the minister on them after May 1, when he is slated to take up his new post.

IS5m. will make it safe to get to the other side

By the end of the summer, the Road Safety Authority in the Transport Ministry promises, every pedestrian crossing in the entire country will be properly painted and illuminated at night. Authority head Moshe Amirav has allocated IS5m. for the project.

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SELF-REALISATION VERSUS RESPONSIBILITY TO 'JEWISH COLLECTIVITY'

on Thursday, April 29, 1982 at 4 p.m. in the Observatory Gallery, 30th Floor, Eshkol Tower.

Chairman and Discussant: Prof. E.O. Schild, Rector of the University and Incumbent of the Chair

The public is cordially invited.

Notice to Icelandic Citizens

Icelanders holding valid Icelandic passports are hereby notified that they can vote in the Municipal Elections to be held from April 24 to May 22, 1982. Those considering themselves to be registered in some commune (hreppur), not in a town, can cast their votes at the Consulate General of Iceland in Tel Aviv, 136 Rothschild Boulevard, from May 3 to 14, 1982, between 8 and 11 a.m.

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Sports

Powerhouse Lendl takes on No. 1

DALLAS (AP). — John McEnroe and Ivan Lendl, ranked Nos. 1 and 2 in the world, respectively won their semifinal matches and will meet for the \$150,000 first prize in the World Championship of Tennis final here tonight.

Top-seeded McEnroe needed a tiebreaker to defeat Eddie Dibbs, 6-4, 6-4, 7-6, in the first match, while Lendl was the more impressive as he breezed past Vijay Amritraj 6-1, 6-0, 7-5 in just 94 minutes. McEnroe, 23, will be trying to win an unprecedented third Dallas title, while Lendl will be making his first appearance in the final. The Czech star, who has won 78 of his last 81 matches, completely overpowered Amritraj.

"I guess I was lucky to come out with my life," said Amritraj, who raised his arms in mock triumph after winning the first game of the final set. "I haven't played anyone who hits that hard since Rod Laver in 1973."

In Las Vegas, Jimmy Connors came back from a one-set deficit to beat Sandy Mayer 4-6, 6-2, 6-1, while the other Mayer brother Gene romped to a 6-0, 6-1 victory over Australia's Mark Edmondson to join Connors in the final of the \$370,000 Grand Prix event.

At Bournemouth, Manuel Orantes defeated fellow Spaniard Angel Gimenez, 6-2, 6-0 to take the British hard court championship.

Chris Evert Lloyd took four straight love games in the second set from Andrea Jaeger, and went on to win the final of the \$250,000 women's event in Florida 6-3, 6-1.

Lloyd now has an 8-2 edge in competition with Jaeger. The only time the 14-year-old had defeated her was twice earlier this year.

Sunshine Phoenix

DENVER (AP). — Walter Davis and Dennis Johnson combined for 56 points and converted some crucial free throws down the stretch to lead the Phoenix Suns to a 124-119 victory over the Denver Nuggets in the deciding game of a best-of-three National Basketball Association playoff series.

Phoenix now advance to the Western Conference semifinals against the Los Angeles Lakers. That best-of-seven series begins tomorrow night.

Ferraris coast home in troubled race

IMOLA, Italy (UPI). — The San Marino Formula One Grand Prix motor race, depleted because of a boycott by most British teams, turned into a duel between Renault and Ferrari.

Ferrari drivers Didier Pironi of France and Gilles Villeneuve of Canada eventually finished first and second in the troubled 14-car race Sunday after a stirring 20-lap battle among themselves for the lead.

The two Ferrari drivers had the race to themselves after the Renault of Frenchman Rene Arnoux had dropped out on the 44th of the sixty laps.

British-based teams boycotted the event to protest a ruling by the International Automobile Federation against the water ballast tanks used in their cars to meet minimum weight requirements.

University cricketers set the pace

Post Sports Reporter
Spring, as hayfever sufferers will have ruefully noted, is very much with us; on a happier note this has also signalled the restart of the local cricket season. With only a handful of national league matches played, the current champions Hebrew University have already served warning that the job of wresting from their grasp the league title they won for the first time last season will be an awesome task.

The Jerusalem students won both their opening encounters, the first a three-wicket victory over their perennial rivals Petah Tikva Gymkhana whom they defeated in last year's final. Then on Saturday they scored a resounding 136-run victory over Tel Aviv at the Hebrew University stadium. The scores in that match were HU 236-7 (Perlman 100 not out) Tel Aviv 100 all out (Worrell 6-51).

The other notable feature of the opening games has been the brave start of newly-promoted Dimona C.C. who also beat Tel Aviv in handsome style, by 136 runs, and then narrowly failed to notch up a second successive win over Ashdod "A" C.C. The visitors from Ashdod were a slightly ragged unit, by one wicket. Dimona have been well served, by Adam Sankar and Shimon Sogaker.

There are seven clubs in the major division with another 10 competing in the second league, which focuses primarily on the development towns of the south.

SPORTS DIVIDENDS: Since one match, No. 10 on the coupon, was played the first dividend from the weekend football pools is distributed among players with all 12 remaining forecasts correct. The 42 lucky ones each win \$171,400. 11 correct forecasts is worth \$1,170 each; 10-\$15104 and 9-\$517.

UK military confident of surprise landing

ABOARD TROOPSHIP CANBERRA (Reuters). — British troops could land unopposed and perhaps undetected by Argentina on the long and jagged Falkland Islands coastline, according to military experts with the British battle fleet.

The Falklands' coastline, longer than England's, contains thousands of quiet inlets suitable for landings by troops equipped and trained for seaborne assault.

This option is bound to loom large in British calculations as the leading elements of the 60-vessel task force close in on the disputed South Atlantic islands.

It is certain that any beach assault opposed by an Argentine garrison thought to number around 10,000 men could be very bloody, and the

British also wish to avoid harm to the residents of the tiny Falklands capital, Port Stanley.

But an important prerequisite for any landing in an area undefended by Argentine troops on the ground would be mastery of the skies, no easy task for Britain's 20-odd Sea Harriers aboard the carriers Hermes and Invincible.

Although they will in time be backed up by more Harriers being shipped from Britain, they face tough opposition from Argentina's 68 Skyhawks and 19 Mirage interceptors.

Many of the 3,000-odd troops with the task force are specially trained in assault from the sea by boat and helicopter. Some are also expert skiers and mountaineers and could drop on ropes from hovering

helicopters at night. But they face terrain full of bog, and near-impassable jagged rock known as stone runs.

Another hazard is concealed elephant seal wallows, deep pits full of sloughed sealskin, seal urine and excrement which would suck a soldier to his death in moments.

On board the Canberra are 37 marines who took part in the defence of Port Stanley when the Argentinians landed on April 2. Their local knowledge could be a strong asset.

"The Argentinians were badly misinformed about the nature of the islands," said their commander, Major Mike Norman.

"They had maps indicating tracks, but they did not realize that these are not driveable tracks."

Fire kills 33 at antique show in Italy

TODI, Italy (UPI). — An explosion ripped through a historic mansion housing a popular antiques show yesterday, setting off a fire that gutted the building and killed more than 30 people, some of whom jumped to their deaths.

The blast, believed caused by a leaky gas tank, rocked the medieval Palazzo dei Vignola in the heart of this central Umbrian city 100 kilometres northeast of Rome.

After the blaze was put out police said 33 persons were killed and some 50 were injured. Most of the dead were trapped on the building's top floor, which was sealed off by the explosion. The fire raged for 40 minutes before the first firefighters arrived in Todì, which has no fire

department of its own. Several hundred people looking for bargains on the annual show's last day were in the four-storey building at the time of the blast.

Police said some survivors were critically injured in the panic to escape the fire's intensity, which was increased by the large quantity of flammable antique furniture and tapestries.

While waiting for rescue squads to arrive, Todì residents extended ladders and wood beams from the windows of adjacent buildings so some survivors could crawl across to safety. Others held out blankets to catch people who jumped out of windows.

Police helicopters dispatched from Rome lowered ropes to the

building's roof and upper windows to rescue survivors, including some children trapped in the blazing and smoking top floor.

Luigi Tempesta, an antique merchant, drove his canvas-topped truck to the side of the building and about 40 persons saved themselves by jumping onto the canvas. One woman missed the truck's roof and died after hitting the cobblestone street.

Rescue and fire units were called in from throughout the Umbrian region and the most seriously injured people were flown by helicopter to hospital burn centres in Rome, while others were taken to the Todì Hospital and others nearby.

Polish primate to seek help from pope

WARSAW (Reuters). — Poland's Roman Catholic primate, Archbishop Jozef Glemp, is due to travel to Rome today to confer with Pope John Paul amid efforts by the church to break Poland's political deadlock.

Glemp's visit will provide an opportunity for detailed discussion of church proposals disclosed two weeks ago for a new dialogue between the Communist authorities and the people, church sources here said.

They said the archbishop, on his second visit to the Vatican since martial law was declared in December, would also want to know the latest thinking of the Polish-born pontiff on a possible visit to his homeland later this year. The pope had hoped to visit Poland on August 26 for ceremonies marking the 600th anniversary of the Black Madonna of Jasna Gora, an icon kept in a monastery at Czestochowa which is a national symbol for the Poles. The visit has been thrown into doubt since the military takeover, and church officials here say privately it is extremely unlikely the pope will visit if martial law persists.

Things go better with Peony Root

PEKING (Reuters). — China is planning a rival to Coca-Cola, made of the root of the peony flower, which the People's Daily says has a similar taste and is a health tonic too.

The Communist Party newspaper said on Saturday that several formulae produced by Chinese medical researchers had been recommended for awards by the Academy of Sciences.

Varieties such as "Peony Root Ginseng Cola," "Golden Peony Champagne" and "Health and Happiness" tasted good and also has qualities which could help prevent blood clots, keep arteries unclogged and were good for the liver and kidneys, the paper added.

Brussels fire kills 11

BRUSSELS. — Police said yesterday that the toll in a fire which on Saturday destroyed a Brussels house inhabited by Turkish immigrants had risen to 11 dead, with three or four people still missing and presumed dead. Twenty-seven people were registered as living in the house.

Rescuers working on the ruins of the big dilapidated four-storey house in the working class district of Saint Josse, in central Brussels, dug out seven bodies overnight, they said.

Five die in Jakarta pre-poll violence

JAKARTA (Reuters). — Indonesian troops yesterday shot dead at least five people in Jakarta and wounded at least six more in renewed violence before general elections next month, hospital officials said.

Security forces opened fire on youths at disturbances during an election rally by President Suharto's ruling Golkar Party. Parliamentary elections are scheduled for May 4.

Would-be Reagan assassin will tell court he was insane

WASHINGTON (Reuters). — John Hinckley goes on trial tomorrow for the shooting nearly 13 months ago in which President Ronald Reagan and three other men were seriously wounded.

There is no question that Hinckley was the gunman who fired at Reagan, presidential press secretary James Brady, a Secret Service agent, and a Washington policeman. Brady remains partly paralysed.

The incident, on March 30, 1981, was captured on videotape. The trial will focus instead on

whether Hinckley, 26, was legally sane at the time of the shooting.

He has pleaded not guilty on grounds of insanity.

Evidence disclosed by authorities suggests that Hinckley might have been motivated by the desire to impress teenage actress Jodie Foster, with whom he had become infatuated from afar.

Jurors will hear opposing teams of psychiatrists try to convince them that Hinckley should or should not be held responsible.

Since the shooting, Hinckley has twice tried to kill himself, once with pills and once by hanging.

Iran leader says Gulf states should pay it war reparations

BEIRUT. — Iranian Prime Minister Hussein Musavi said yesterday oil-rich Persian Gulf nations which have been aiding Iraq in the 19-month-old Iran-Iraq war should pay Iran war reparations, the state-run Teheran Radio reported.

Musavi told local reporters in Teheran that he hoped the war would end before the non-aligned summit is held in Baghdad next September. Otherwise, "the movement will face the greatest defeat in its history," for it would be "the destruction of many of its principles," he said.

"We know that the (economic) situation of (Iraqi president) Saddam (Hussein's) regime is miserable, but it is not only Saddam who is fighting with us. Those who can pay billions of dollars to Saddam should be able to pay for damages of a war which they have encouraged," Musavi was quoted as

saying by the radio, which was monitored here.

The war broke out on the northern flank of the Persian Gulf in September 1980, when the Iraqi Army invaded and occupied several parts of Iranian territory. The war has been raging since then without any of the countries involved agreeing to a settlement.

Asked if Iran would agree to a temporary cease-fire so that the Baghdad non-aligned summit could be held as scheduled, Musavi said, "As long as an inch of our Islamic territory is in the hands of Saddam's occupiers, and the Iraqi regime refuses to accept our conditions, there shall be no cease-fire."

In Baghdad yesterday, President Hussein dispatched three envoys to Kuwait, Jordan, Saudi Arabia and Guinea with messages to the leaders of the four countries dealing with the war, the state-run Iraqi News Agency reported.

Iranian students battle in Mainz

MAINZ (UPI). — Hundreds of Iranian students armed with knives, cudgels and knuckledusters fought running battles with each other on Mainz University campus on Saturday night, leaving eight police and 28 Iranians injured, police said.

Police said student supporters of the Iranian leader Ayatollah Khomeini had travelled to the university from throughout West Ger-

many to attack a group of Khomeini opponents meeting on the campus.

Police arrested 86 Iranians after they were called in to break up the fighting. A police spokesman yesterday accused the Iranian Embassy in Bonn of having provoked the clashes. "The Iranian embassy seems to have pulled the strings in this bloody confrontation." A police spokesman was reported as saying.

French leaders blast Turks for 1915 Armenian massacre

PARIS (UPI). — France was headed for another clash with Turkey yesterday, after nation-wide ceremonies at which French government and opposition leaders condemned the 1915 Turkish massacre of Armenian Christians.

Turkish Ambassador Adnan Bulak promptly warned he would inform his government of the pledge made by leaders of the ruling Socialist-Communist coalition at Saturday's ceremonies to support the Armenian national cause.

Bulak was reported to be particularly upset by Acting Prime Minister Gaston Defferre's statement in Marseille that "the French government recognizes the genocide of which the Armenian people was a victim."

High-ranking majority leaders and opposition Gaullist and Centrist deputies have joined hands with

Catholic prelates to participate in the public rallies held by the Armenian community to mark the beginning of the 1915 massacre of Armenian Christians in which an estimated 1.5 million were killed.

Marching behind their leaders in Paris, Marseille, Lyon and other French cities, the crowds shouted "Turks assassins," "Fascist Turks — get out of Armenia" and other slogans.

In Quana about 1,500 Armenian nationalists on Saturday staged a demonstration outside the Turkish Embassy, closely watched by between 150 and 200 police.

The demonstration followed speeches in the Canadian parliament and a march through the city's streets. Speakers demanded the return of Armenian lands and protested what they call the genocide of 1915 at the hands of the Turks. (UPI, AP)

Controversial cardinal of Chicago dies

CHICAGO. — Chicago's Cardinal John Cody, head of the nation's largest Roman Catholic archdiocese, died yesterday morning, a spokesman for the archdiocese said. No cause of death

was announced.

Cody, 74, who became embroiled in charges of giving up to \$1 million in church funds to a woman friend, died in hospital. (AP, Reuters)

(Advertising Section)

THE INSIDE TRACK

A perceptive guide to shopping and services in Jerusalem

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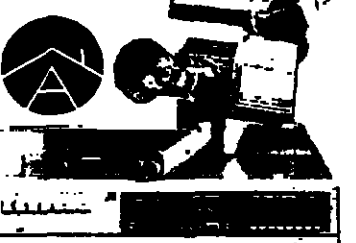
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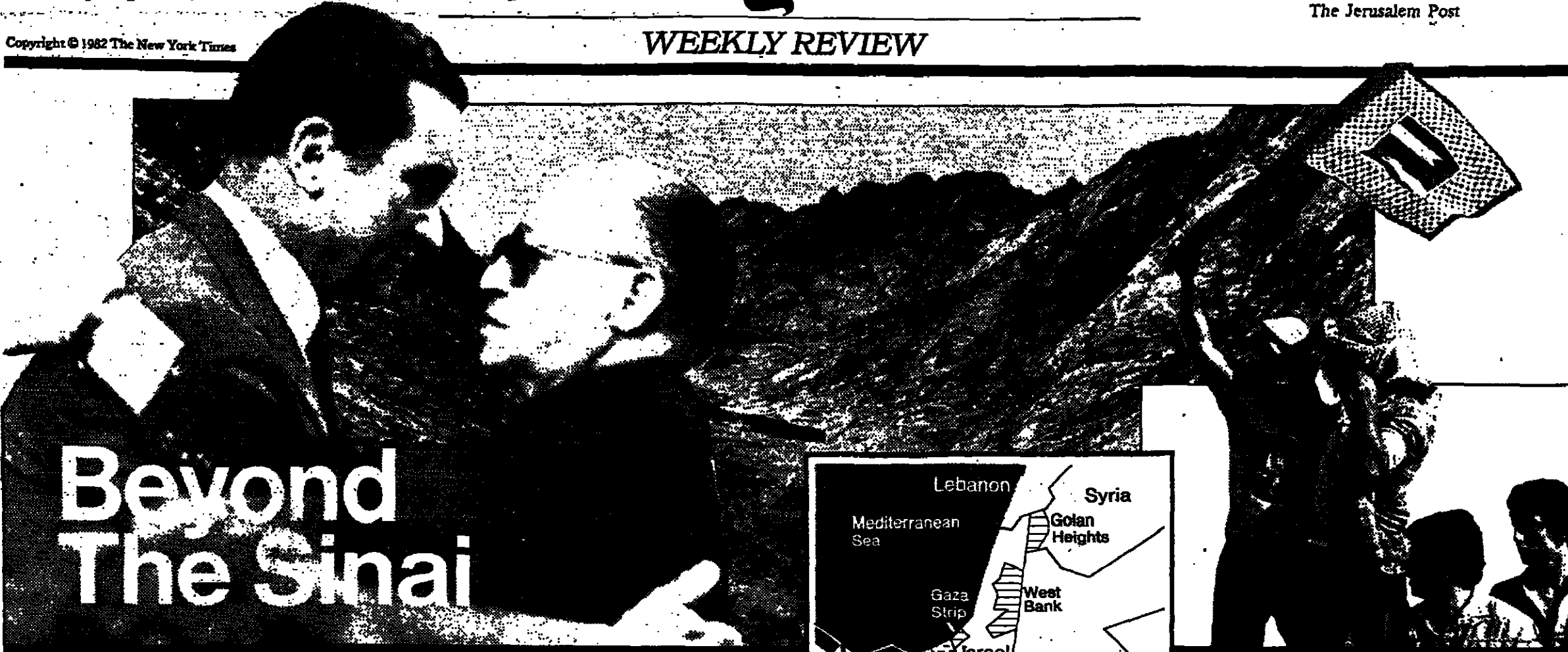
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Beyond The Sinai

After Camp David, the Road To Peace Is Still Treacherous

By BERNARD GWERTZMAN

CELEBRATING was muted today as the last Israeli withdrawal from Sinai, marking 37 months since the peace treaty with Egypt was signed. The early euphoria after the first Arab-Israeli peace treaty was sealed in Washington had long since dissipated, but it still retains enormous political and military importance.

The treaty demonstrated that at least one Arab state was ready to live in peace with Israel. Jerusalem's concerns at the prospect of having to fight another war on all frontiers at once were sharply reduced.

But the Middle East last week was still in the throes of disorder. No one could be certain whether there would be further negotiated solutions or whether a new war might stamp out the hopes for peace kindled by the treaty.

The uncertainty was traceable in part to the flawed document produced at Camp David in September 1978 by President Jimmy Carter, Prime Minister Menachem Begin and President Anwar el-Sadat. (It was, of course, the late Egyptian President's journey to Jerusalem in November 1977 that produced the climate that eventually led to those historic meetings.) The three leaders agreed at Camp David on an agenda for negotiations, starting with the Egyptian-Israeli peace treaty. This was recognized even then as a relatively easy first step since Mr. Begin agreed at Camp David to the essentials of Mr. Sadat's terms—complete Israeli withdrawal from the occupied Sinai in return for normal and good-neighbored relations with Cairo.

But the other part of the Camp David document, the framework accord for the Palestinians, was recognized from the start as seriously defective. In his determination

to recover Sinai, Mr. Sadat dropped his earlier insistence on Palestinian "self-determination." He accepted the Israeli concept of self-rule and autonomy in the occupied West Bank and Gaza Strip, without first obtaining agreement by the organized Palestinian leadership—the Palestine Liberation Organization—or even the acquiescence of leading non-P.L.O. Palestinians. The treaty was also rejected by Jordan which, by geography and history as former administrator of the West Bank, must play a role in any future solution.

As a result, virtually every Arab, including many in Mr. Sadat's own entourage, regarded Camp David as a sellout of the Palestinians. Consequently, he was ostracized by the Arab world. As negotiations on Palestinian self-government proceeded in desultory fashion, the likelihood that any outcome would eventually be rejected by the Palestinians poisoned the atmosphere.

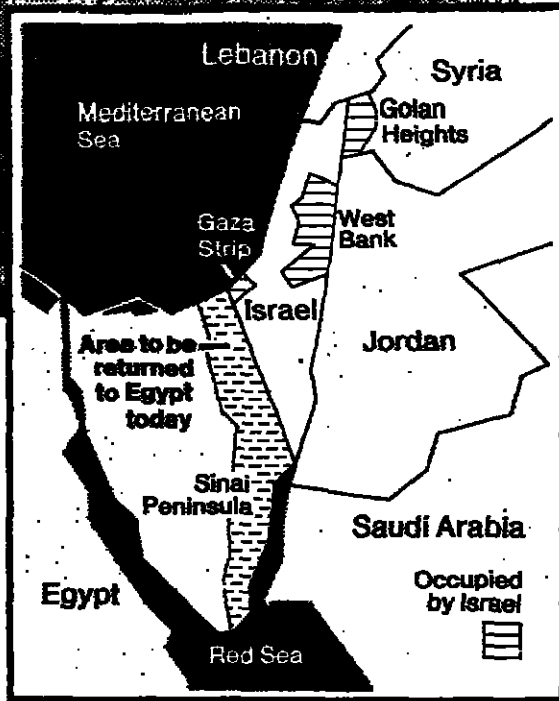
Nevertheless, as Egypt, Israel and the United States looked last week for ways to keep the negotiations alive, they saw few alternatives to pursuing the Palestinian "autonomy talks" set up by the treaty.

Why Not a Breakdown?

In looking for another approach, some analysts have urged revival of the Geneva conference that met for two days in December, 1973, after the October war of that year. The conference would bring together all the parties, plus the United States and the Soviet Union, to work out a comprehensive Middle East peace.

The Geneva approach has its surface attractions, but efforts in 1977 by the Carter Administration to revive the conference failed. Israel refuses to deal with the P.L.O., to countenance a Palestinian state in the West Bank and Gaza Strip, or to withdraw completely from the Golan Heights, which it virtually annexed last year.

The dynamics of Arab politics have made Palestinian



Hosni Mubarak and Prime Minister Menachem Begin embracing at funeral for President Anwar el-Sadat in October; view of cliffs near Mount Sinai; demonstrators carrying Palestinian flags on the West Bank last month.

"self-determination"—a euphemism for a Palestinian state—and Israeli withdrawal from all occupied lands nonnegotiable demands. Unwillingness to compromise, on both sides, would probably mean failure at a Geneva roundtable. Moreover, the United States and Israel, not to mention Jordan and Saudi Arabia (which plays a key behind-the-scenes role), have no interest in bringing the Soviet Union into Middle Eastern negotiations at Geneva.

Another approach suggests attempting to put aside the Palestinian question and opening direct talks between Israel and other Arab neighbors: Lebanon, Syria and Jordan. But the Arabs would not agree unless Israel agreed, at least in principle, to change its policies radically, to return the Golan Heights to Syria and to get out of the West Bank and Gaza.

Moreover, Syria sees its standing in the Arab world enhanced by its rhetorical challenges to Israel; although Syria has been careful, in Lebanon, to avoid a large-scale military clash with the Israelis. And King Hussein of Jordan, who relies on good will and financial gifts from the Saudis and Iraqis, would not risk his political life by emulating Mr. Sadat.

For some Egyptians and Israelis, in fact, a break-

down in the autonomy negotiation would not be considered all bad. They include Israelis who want the West Bank and Gaza placed under Israeli law, replacing military occupation status and leading eventually to annexation of what the Begin Government calls Judea and Samaria. But unless the close to one million Arabs in the West Bank were to be denied Israeli civil rights, incorporating the territory would sharply change the demographic character of the Jewish state. Furthermore, the United States, also sensitive to considerations of Saudi good will, is strongly opposed to annexation.

Egyptians, who are uneasy in the role of negotiators of an accord that appears destined for rejection by the Palestinians, might welcome a breakdown. They could say that they had refused to accept an accord that would have undermined Palestinian interests. Egypt might then be able to win acceptance in the Arab world without breaking ties with Israel.

On the other hand, reneging on normalization with Israel could endanger Cairo's American connection, which seems as important to President Hosni Mubarak as it was to President Sadat.

American officials say they are about to launch a major effort to bring success to the autonomy negotiations. Washington wants a self-government agreement that could be presented to the Palestinians as an attractive alternative to their present prospects, in the hope that it could lead eventually to peaceful coexistence of Palestinian Arabs and Jews.

The purpose of the autonomy talks is limited. They seek only to create an interim regime to run the region for five years. During that time, negotiations on final status would begin, presumably involving Egypt, Israel, Jordan, and local Palestinians.

Israel, in this context, would have only one voice under the vague Camp David rules. Jerusalem would not have a veto, for instance, in negotiations on final status. Moreover, Mr. Begin, whose insistence on sovereignty over the West Bank has not encouraged progress in negotiations, might be gone by the end of the interim five years. New Israeli leaders, the Americans hope, might be more flexible.

The issues, they add, are negotiable, if Egyptians and Israelis will just show the same good will that produced Camp David in the first place.



British marines and helicopters on the aircraft carrier Hermes heading for the Falklands.

Both Sides Seem Poised to Fight Over Falklands

British and Argentine forces came within shooting distance in the stormy South Atlantic last week as hopes dwindled that American diplomacy could resolve the Falklands crisis peacefully.

British Foreign Minister Francis Pym took back to London new American proposals that officials described as leaving "a great deal to be desired." Argentine President Leopoldo Galtieri said yesterday, "The chances of peace are narrowing."

Both sides in the crisis issued contradictory signals to keep each other guessing about just how much flexibility remained. As the British fleet came within range of land-based Argentine jet fighters, the British Defense Ministry announced that its forces had gone to "defense stations," the second-highest stage of war alert.

Officials encouraged (but refused to confirm) speculation that the British would make the lightly defended island of South Georgia, 800 miles from the Falklands, as a morale booster and a warning to the Argentines to give up the Falklands without a fight. Argentine naval sources said that two British warships had entered South Georgia's defense zone, but asserted that they were there to intimidate the defenders and were not adequately equipped to attack.

As a condition for turning back the fleet, Prime Minister Margaret Thatcher continued to insist that British sovereignty be restored on the Falklands, even if only briefly, to avoid the appearance of rewarding Argentina for seizing the islands on April 2—and to give the appearance of respecting the wishes of the 1,800 mostly British-descended islanders.

Argentina has expressed willingness to put the islands temporarily under both flags. But it has insisted on guarantees that if negotiations deadlocked, as they have repeatedly in the past, the Falklands would automatically become Argentine by the

end of the year. "Great Britain should understand that history has gone by, centuries have passed, the world has evolved and certain things from the past cannot return," President Galtieri declared as he flew to the islands for the first time.

Diplomats from both countries came to Washington for a change, giving Secretary of State Alexander M. Haig Jr. a breather after he had shuttled a grueling 31,594 miles in 12 days. But Foreign Secretary Pym flew back to London before Argentina's Foreign Minister, Nicanor Costa Méndez, took off for Washington. The announced purpose of the Argentine's visit was to address the Organization of American States tomorrow and to invoke the 1947 Rio Treaty, which calls for all nations of the hemisphere to rally "in case of aggression" from outside. Reagan Administration officials commented that Argentina would have a hard time proving Britain the "aggressor."

Besides seeing Mr. Haig, another purpose of Mr. Pym's visit was to lobby for American public support should negotiations fail. He achieved

some success; several congressmen introduced resolutions calling on the Administration to side with Britain in the event of war.

Administration officials confided that unless the Haig mediation succeeded soon, the United States would have little choice but to tilt toward London, perhaps by joining the European Economic Community's trade embargo against Argentina.

A British source in Washington said his Government appreciated Mr. Haig's "heroic efforts." But he added, "It is taken for granted in London that the greatest democracy on earth cannot at the end of the day be evenhanded as between democracy and dictatorship or as between the aggressor and his victim."

Israel Moves On Two Fronts

Israel last week kept its word on peace and war. As promised, it proceeded toward the return today of the last slice of the Sinai, dispatching 7,000 soldiers to forcibly evacuate 1,200 angry holdouts who tried to obstruct the transfer to Egypt.

Making good another pledge, Israel sent dozens of delta-winged jets to bomb Palestine Liberation Organization centers near Beirut—a "warning operation," the Government said, to punish "murderous actions against Israeli citizens." Lebanon reported at least 23 people dead and 60 wounded. In an aerial dogfight, two Syrian MIG's were downed; Damascus claimed, and Jerusalem denied, that an Israeli jet was also destroyed.

Jerusalem justified the bombing as retaliation for several recent incidents including the death of an Israeli soldier last week when his vehicle hit a mine in the border zone controlled by Israel's Lebanese Christian allies; a Syrian missile fired against an Israeli plane over the Golan Heights; and the assassination in Paris April 3 of an Israeli diplomat.

Some Palestinians pressed for military reprisal, but Yasser Arafat, the P.L.O. leader, called the attack "an ambush and we will not walk into it." The Reagan Administration was relieved that Jerusalem only had strained, but not destroyed, the cease-fire stitched together in July by American mediator Philip C. Habib. "Don't give them an excuse" to in-

vade, one Palestinian official said the Americans had advised.

Citing another possible motive for the bombing, the newspaper of an Israeli opposition group, Mapam, said it was "diverting attention from the evacuation of the [Sinai] settlers at Yamit." The army allowed 20 holdouts to spend the sabbath in the Yamit's Sephardic synagogue on their promise to leave early today. The rest of the protesters were removed last week by Israeli soldiers and civilians using a combination of cajolery, tearful pleading and force. Then, bulldozers flattened the eight-year-old community and covered the debris with sand.

With more than a little help from their friends in Washington, Egypt and Israel bridged differences that had threatened the Sinai withdrawal schedule. Deputy Secretary of State Walter J. Stoessel Jr. shuttled between Prime Minister Menachem Begin in Jerusalem and President Hosni Mubarak in Cairo. Mr. Mubarak placated Israeli concerns by reducing Egyptian military units in the Sinai, closing the P.L.O. office in El Arish and promising to try to stop Palestinians from smuggling arms into Israel-occupied Gaza. Both sides moved toward agreement on leaving to arbitration one remaining border dispute—over a coastal strip near Eliat where Israelis are building a resort hotel.

President Reagan, sweetening the deal, wrote Mr. Begin pledging to

maintain Israeli military superiority over the Arabs—"The best document ever sent by an American President," said Israeli radio.

Silver Clouds, Dark Linings

Last week's inflation report was striking, so striking that for a moment the White House ignored one of the few still undisputed economic rules. Deputy press secretary Larry Speakes cheerfully claimed credit for the dramatic drop, by 3.3 percent at an annual rate, of consumer prices in March—down for the first time since 1965 and the most since 1953. It was, he said, "because of our consistent economic policy, which has cut the rate of increase in Federal spending, and our policy of nonintervention in the marketplace."

The forgotten economic axiom is that recessions, as much as deliberate Government actions, abate inflation. And while only some economists say that Reaganomics has produced a slump that could become the most severe since the 1930's, all agree that the current recession is as responsible for disinflation as the White House is. When recessionary effects on energy, food and housing—all steep drops in prices reflecting decreased demand—are factored out, the March consumer index rises, not drops, and by 7.6 percent.

That is better than last March's figure of 10.55 percent. But then, unemployment is now at a postwar record of 9 percent; last April it was 7.3 percent. In a radio address yesterday, President Reagan named the usual suspect. "Interest rates shouldn't be higher than 10 percent" now, he said, but the "money market is afraid that inflation will take off again."

The week provided other proof of the recession's power. The Commerce Department reported a 3.9 percent drop in the gross national product for the first three months of the year—not as big as expected, because of a 4 percent rise in consumer spending, but large enough to still hopes of a bright economic dawn soon. "At present," Murray L. Weidenbaum, chairman of the President's Council of Economic Advisers said, "the economy is marking time." (Waiting for a budget compromise, page 4.)

Israeli letdown

2

The Argentine

mind

3



People with people in mind.



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The World

In Summary

Cuba May Be Seeing Fewer Americans

The Reagan Administration seems undecided whether Fidel Castro's Cuba is ripe for cuffing or conversion. Secretary of State Alexander M. Haig Jr. told a group of American businessmen last week that Cuba's alliance with the Soviet Union had left it "an economic, demographic shambles" and the United States had made it clear to President Castro that "the option is open to him" to dump Moscow and come back to the West. Only two days earlier, however, the Administration acted to tighten the moose around the island's economy, announcing restrictions that will effectively bar tourists and businessmen from traveling from the United States to Cuba after May 15.

The move followed friendly noises from a senior Cuban official who told a group of visiting American scholars and journalists last month that Havana was ready for "mutual restraint" and a "relative accommodation" with the United States. An Administration official said last week that talks remained a possibility but that Washington was more interested in Cuba's deeds than its words.

Cuba asserts that it stopped supplying arms to Salvadoran guerrillas (by way of Nicaragua) 14 months ago. An Administration official acknowledged that the United States lacked hard proof that the arms flow was continuing, but added, "There's a lot of traffic between Cuba and Nicaragua and we can't assume they're carrying Wheaties."

Travel per se to Cuba will not be banned, but buying plane tickets and spending eagerly sought dollars in Cuba will. The ban represents a tightening of the Trading With the Enemy Act of 1917, enforced against Cuba since 1963 but relaxed by the Carter Administration in 1977 to permit travel to the island.

According to Administration figures, about 40,000 Americans went to Cuba last year. In future, only United States officials on official business, journalists, scholars and Americans with relatives in Cuba will be excluded from the ban. Civil rights groups said they would challenge the restrictions as a violation of Americans' right to travel abroad.

Waiting, Hurrying

The Administration also appears to be in no hurry to open negotiations with Nicaragua.

Nicaragua's Sandinist Government, suspicious that the United States is supporting its exiled opponents in Honduras — and nervous at the presence of a United States destroyer off the Nicaraguan coast — last week urged a prompt beginning to negotiations. Administration officials said they would reply this week but would seek further clarification of the Sandinists' views.

"There's not a serious proposal," an official said of an 18-point proposal Nicaragua presented to Washington earlier this month. "It was a set of positions and 13 accusations against the United States. It was more of a rhetorical diatribe."

The Administration appeared more sanguine about patching up ties with Guatemala, where widespread human rights violations led the Carter Administration to cut off military aid in 1977. Stephen W. Bosworth, Deputy Assistant Secretary for Inter-American Affairs, told the Senate Foreign Relations Committee last week that the junta which overthrew a leftist regime last month had brought indiscriminate killings of civilians "virtually to an end."

The Administration is also seeking to bolster Honduras — with \$10.8 million in military aid this year and as many as 95 military advisers — as a buffer against Nicaragua. The stress on military rather than economic aid has led to local concern that Honduras, which has so far experienced little civil strife, could be pushed "into the line of fire," in the words of a Western diplomat there.

Schmidt Sways Bonn Socialists

The specter of death and taxes seems to be everywhere this spring, not least of all in West Germany, where Helmut Schmidt weathered a testy conclave last week of his Social Democratic Party.

Nuclear issues and economic policy led the agenda. After an unusually personal speech in which the Chancellor reaffirmed his commitment to NATO's "arm and negotiate" decision and his opposition to monetarist economic solutions, delegates approved largely amenable resolutions. But they also backed an economic package opposed by Mr. Schmidt and the party's Free Democratic coalition partners.

On medium-range nuclear missiles, Mr. Schmidt urged members to reject motions to freeze or delay deployment of American weapons as long as the current United States-Soviet talks continue in Geneva. Party leaders had expected that such motions could draw support from one-third of the 440 delegates; on a

voice vote, the moratorium proposal lost by a margin of about two-to-one. Nonetheless, the party called for a review of the issue next year and — in direct contradiction of recent statements by the Chancellor — declared that "there may be no automatic deployment" of missiles if the Geneva negotiations reach an impasse next year. The nonbinding resolution also contained calls to ban neutron and chemical weapons.

Earlier, delegates voted over-whelming approval for higher taxes



Willy Brandt after re-election as chairman of the Socialist Democratic Party last week.

to finance higher employment programs — a strategy opposed by the Chancellor, who is already facing uncertain election prospects in 1984. Unemployment recently topped 8 percent and there is growing grassroots disillusionment with the Government's economic policies, particularly among labor unions.

Enter Brezhnev, Impassively

Leonid I. Brezhnev has ended four weeks of speculation about his whereabouts.

The 75-year-old Soviet leader last week walked onstage at the Moscow Palace of Congresses and thus dispelled rumors that the stroke he is believed to have suffered was fatal. He sat down, applauded pretty much on cue and held a few whispered exchanges with fellow leaders. Afterwards, he walked off stage unaided, although a functionary was seen helping him up some stairs. The Foreign Ministry had insisted all along that the Soviet leader had merely gone on a "routine winter rest."

Mr. Brezhnev, considerably thinner than when last seen — on March 25 boarding a plane in Tashkent after a tiring visit to Central Asia — listened to a hard-line speech by secret police boss Yuri V. Andropov. The K.G.B. chief condemned Communist reformist notions, notably political pluralism, as unacceptable deviation from the Soviet model.

Mr. Andropov may be bidding to assume the ideological preceptorship of Mikhail A. Suslov who died in January. Mr. Andropov, who is 67, is thought to be a junior contender in the superannuated Kremlin for the party leadership in the post-Brezhnev era.

Malaysia 2-M's Return to Power

Malaysian Prime Minister Datuk Seri Manathir Mohamed and his deputy, Datuk Musa Hitam, used their first nine months in power to seize the high ground in the country's ethnic and religious-oriented politics. Their tactics paid off last week as their coalition of 11 Malay, Chinese, Indian and tribal parties won a landslide victory in parliamentary and state elections.

The Prime Minister stole a march on the Islamic opposition party by making a pilgrimage to Mecca and by establishing an Islamic university where English and Arabic will be used. Political detainees were freed and press censorship was eased.

The Manathir-Musa duo, known as the 2-M's, also closed down unprofitable state enterprises manned by political power brokers, gambling that curbing corruption would not cost too many votes among Malaysia's 500,000 civil servants and their families.

They reassured Chinese-language educators who were worried that the campaign to promote educational basics was a subterfuge to close separate Chinese primary schools. And with European recession straining Kuala Lumpur's longstanding ties with London, Dr. Manathir discouraged "buy British" habits. His foreign policy slogan is "look East."

Milt Freudenheim
and Barbara Slavin

In Israel, Dreams of Peace Seem Hollow After Sinai

By DAVID K. SHIPLER

JERUSALEM — By tonight, nothing in the Middle East should be quite the same as it is this morning. Israel completes its withdrawal from Sinai today, returning the final swath of desert wilderness to Egypt, relinquishing a vast territory twice the size of Israel itself. The concession is deep, probably more extensive than any ever made by a country in a comparable position of military strength. It fulfills a commitment undertaken three years ago, at the signing of the peace treaty between Israel and Egypt, in the hope that it would change not only the face of the Middle East, but eventually the underlying dynamics that have brought only war to the region for the last generation. And so today should be a landmark. The question is whether it will also be a turning point.

Israel approaches this momentous move with none of the euphoria that marked the beginning of the peace process, when Anwar el-Sadat of Egypt journeyed to Jerusalem in 1977. The obligation of withdrawal is being carried out in an empty and gloomy mood of misgiving. The ancient hatreds are too virulent, the suspicions too entrenched, the dream of peace too dream-like still. It would be hard to find an Israeli now who did not feel an inner, awful certainty that some day, hence, his sons will have to fight again in Sinai.

Nonetheless, those who make policy in Jerusalem, from Prime Minister Menachem Begin down through the ranks of most of the Cabinet, have held onto something that goes beyond legalistic commitments. It is a vision with which they try to submerge their doubts. Foreign Minister Yitzhak Shamir expressed it last week as an expanding "zone of peace and stability" centering now on Israel and Egypt, and capable of growing to encompass Jordan and the Palestinian Arabs in the West Bank and Gaza Strip, and then perhaps, a widening circle of Arab states.

The hopeful scenario relies on realization of the concepts of the 1978 Camp David accords, which provide for five years of Palestinian "autonomy" within an envelope of continued Israeli occupation, and which leave the final status of the occupied areas open to negotiations among Israel, Egypt, Jordan and the local Palestinians. The Camp David accords are supposed to be seminal, initiating a process of confidence-building and Israeli disengagement, enabling the Arabs to follow Egypt's lead in coming to terms with the existence of the Jewish state. The Egyptian-Israeli relationship is intended to be a catalyst, altering the chemistry of conflict, but the indications are not very promising. Egypt and Israel have not been able to agree on a formula for Palestinian

autonomy, and while Israel wants an accord as a way to forestall pressure for territorial compromise on the West Bank, Egypt has shown little recent drive to reach agreement. Nor have the Palestinians or Jordan even hinted at willingness to enter talks.

Most significantly, Israel has not left the final status of the West Bank open. It has built extensive Jewish settlements there. And after the last painful week of watching Israeli soldiers and policemen wrestle and struggle to painfully extract militant Jewish protesters from northern Sinai, and then seeing the settlements created so idealistically out of the wilderness bulldozed back into the desert sand, few Israelis think their country will ever again remove settlements voluntarily from anywhere. It was Defense Minister Ariel Sharon, the chief architect of West Bank settlement, who decided to bulldoze the Sinai town of Yamit. He did so ostensibly to aid in the eviction of the demonstrators, preventing them from returning after being expelled, but he must have known what a searing wound would be left by such destruction for all Israelis and how angry a scar would remain for the future.

'Egypt Must Show Courage'

All this will certainly impinge on the crucial Israeli-Egyptian relationship, especially as Egypt under President Hosni Mubarak moves to repair relations with the Arab world that rejected the late President Sadat after his initiative of peace. Mr. Mubarak's stated purpose is to achieve a rapprochement without damaging Egypt's ties with Israel. Egyptian officials argue that improved Egyptian-Arab relations might even soften Arab hostility toward Israel. "Maybe the Egyptians will be helpful," Foreign Minister Shamir remarked in an interview. "There is a trend in Egypt to come back to the Arab world. They will have a problem of how to have a relationship with the Arab world, and at the same time be at peace with Israel. It will be a problem. The Egyptians will have to show some courage." Israeli analysts do not fear an immediate Egyptian abandonment of the peace treaty. For military and economic reasons, Egypt needs the peace at least as much as Israel does. But the Israelis have set their sights high on intimate friendship with Egypt, on extensive exchanges in trade, agriculture, scientific cooperation and a neighborliness as close as Canada's with the United States. "We hope that our relations with the Egyptians will be excellent," Mr. Shamir said, "and that there will be established a true friendship between the two nations, and I think that is possible."

But gradual deterioration is also possible. Some Arab states are reported to have told Egypt that they would be willing to renew diplomatic rela-



Israeli tourists posing in front of a pyramid and the Sphinx in Giza, Egypt.

tions but would not send ambassadors to Cairo while Israel had one there. Israelis worry that under such pressure, and in hopes of resuming a leading role in the Arab world, Egypt might downgrade the Israeli Embassy, for example allowing only a chargé d'affaires. The relationship might then develop into one of hesitation and reluctance, with continued Egyptian inhibitions to doing business, accepting technological help, sending scholars, scientists and tourists — that is, a lukewarm approach that would disappoint Israelis, please the Arabs faintly, but fall far short of triggering Israeli retaliation or jeopardizing peace.

Nobody expects sudden change. All that has happened so far has been a slow dying of the most ambitious dreams. One man closely involved in the process reflected sadly last week on the shift in expectations that bloomed three years ago. He said the peace then seemed potentially infectious. Egypt and Israel would both warm to the mood of conciliation, it was felt, and other Arab states would join. Now no one has joined and Israel's psychology has hardened. Tonight is not going to be very different from this morning.

Cracks in the Wall of Khomeini's Power



Ayatollah Khomeini, marching on an American flag in Tehran during the anniversary of Iranian revolution in February. Iranian women wearing traditional black chador.

Gemma-Lindson / Keweenaw

By JOHN KIFNER

TEHERAN — For more than three years, the centripetal force holding together the swirling factions of revolutionary Iran has been the mystical, charismatic personality of Ayatollah Ruhollah Khomeini. The underlying political question has always been, what will happen when the 82-year-old imam dies?

The list of theories and possibilities is almost endless: continuation of the ruling mullahocracy under another ayatollah; a military coup; a Communist takeover through internal subversion by the Moscow-oriented Tudeh Party or by extension of economic or military power across the Soviet-Iranian border, or a ripping apart of the country along ethnic and tribal lines. Most unlikely of all is the establishment of parliamentary democracy.

The ongoing political struggles were pointed up last week when the former Foreign Minister, Sadegh Ghotbzadeh, issued a "confession" over Iranian television that implicated Ayatollah Kazem Shariat-Madari in an alleged plot to seize power. Since the Islamic fundamentalists won control of Parliament nearly two years ago, neutering the hapless presidency of Abolhassan Bani-Sadr and his Westernized "moderates," Mr. Ghotbzadeh had been living quietly in Teheran, studying Islamic law. Some sources indicated that he had been meeting with dissident clergymen. Ayatollah Shariat-Madari, one of the half-dozen grand ayatollahs, the highest rank of Shiite Islam, had

been perhaps the most respected religious figure in Iran until the vengeful, ascetic Ayatollah Khomeini returned from exile to drive out the Shah.

Ayatollah Shariat-Madari, who was revered by the important Azerbaijani ethnic minority — disproportionately represented in the bureaucracy, military and bazaar — had been under house arrest in the holy city of Qum for two years after a run-in with Ayatollah Khomeini.

The mullahs and their fundamentalist followers have unquestionably gained control of the levers of power. In the classic revolutionary pattern outlined by the historian Crane Brinton, the moderates clung to the formal but discredited institutions abandoned by the old regime, while the extremists controlled the source of real power in the street. They instituted what Mr. Brinton, comparing the French, Russian and other revolutions, calls "the reign of terror and virtue."

Buying Gold and Persian Carpets

Beneath the surface, however, the fundamentalists' control may be less secure than it seems; it has met few, if any, credible challenges. The street-fighting tactics of the Islamic leftist Mujahadeen guerrillas have been ruthlessly crushed. Yet, nearly every day, small items tucked away in the few remaining newspapers report armed clashes or clergymen mysteriously slain.

The one program the mullahs seem able to agree on is that women's hair must be covered. Conversations are filled with tales of people carted off to jail — and sometimes death — for

such crimes as coed swimming. Prisons are jammed with political prisoners; torturers once again practice their art. Prices of Persian carpets and gold are skyrocketing as Iranians seek negotiable assets. At night, many cling to shortwave radios, waiting for word of a change.

The mullahs are deeply split, ostensibly over the kind of issue that could be politically volatile only in Iran: What to do until the Hidden Imam, the religious leader who disappeared in a cave as a child 11 centuries ago, comes back to establish earthly paradise. In reality, the question cloaks important differences, pitting Ayatollah Khomeini and his supporters, many of them peasant and village preachers from the revolutionary tradition he established in Qum, against wealthy religious families from the rival theological center of Meshed. Ayatollah Khomeini's supporters, in control of Parliament and the paramilitary Pasdaran, are social reformers on such key issues as redistributing land. Their rivals, centering in the secretive Hujatal society, are more conservative, close to the interests of landlords, feudal tribal leaders and wealthy bazaari. They are believed to comprise the majority in the main political party, the Islamic Republicans.

Ayatollah Khomeini has fashioned a unique political institution, the office of Valliye-e-Faghi, the all-powerful religious guide who is the supreme authority in the absence of the Hidden Imam. But there is no clear successor and power may pass to a council of religious figures known to oppose Ayatollah Khomeini's political theories.

Meanwhile, the disciplined cadres of the Tudeh (Communist) Party have been working their way into the bureaucracy. Diplomats report they have gained key roles in some ministries. With Westerners reluctant to invest in Iran, commerce with Eastern Europe may grow, despite resistance by conservative mullahs.

There may be some tank or helicopter colonel fighting Iraq in the sands of Kuwait who could become Iran's Napoleon, but many of the young leaders of the purged army are known to be "maktabi," devout. Tribal tensions seem to have eased somewhat, but armed rebellion continues among the Kurds in the mountainous northwest and the Baluchis along the Pakistan and Afghanistan borders. Paris-based exiles, occupied largely in plotting against each other, appear to have little chance. Attendance at mass rallies is falling; but a crowd will still materialize at the sight of a television camera to chant "Death to America." Elementary school children begin their day with exercises to chants of "martyr." The mass base of support can be seen Thursday afternoons, when weeping women wearing black chadors crowd the vast cemetery south of Teheran, where martyrs of revolution and war are buried. The alienation of the remaining educated class is reflected in the newest cash business of the resourceful Persians — smuggling people out of the country.

Myths, Honor and Machismo At Stake in the Falklands

But with these advantages has come a chauvinism no-



Yerkes, looking at the landscape still has a powerful emotional pull. Although the conquistadors found no silver, they stalked out huge tracts of the empty and fertile pampas. Almost every Argentine aspires someday to own his "quinta," his small plot of land. In his classic study of the 1930's, "X-ray of the Pampa," Ezequiel Martinez Estrada could have been referring to the Falklands when he wrote, "The old conquistador yet rises in his tomb. He is dead, but within us looks across his frustrated dreams at this immense and still promising land, and our eyes moisten with emotion." He continued, "In Europe, to establish a bond of ownership with the land was to marry into history, to seal a sacred and unbreakable link to the dominion of the past." But in America—in South America—which has no past and consequently, it is thought, must have a future, owning land is one part vengeance and another part greed."

Another reason for Argentines' willingness to take on the British stems from the Spanish side of their character: a deep sense of honor. Foreign Minister Oscar Camillion last year and Nicanor Costa Méndez this year bristled at meetings with Lord Carrington, the British Foreign Secretary forced to resign three weeks ago, because they felt that he did not take them seriously. Now the fleet is bearing down. Honor, backed by a strong sense of machismo, seems not to allow capitulation. "The British are treating us like natives," Mr. Miguens said. "Our dignity is up against the wall. We can't back down now."



U.S. Losing Its Leverage In Salvador

The Assembly meets again this week. If it choses Mr. Magaña or another moderate as provisional President, that will be a sign that Mr. d'Aubuisson and his followers have decided to "compromise" for now.

Nearly every day is a holiday in Israel, home to scores of ethnic and religious groups. More than 400 holidays in 1982 are listed chronologically, with a brief description of their significance and manner of celebration in the community that observes each day. The *All-Faith Book of Feasts* offers information not available from any other source, fully indexed and condensed in a slim, 21 x 28 cm. paperback volume.

Published by the Jerusalem Institute for Interreligious Relations and Research, 64 pages, paperback, indexed.

IS 75

The Nation

In Summary

Welcome to Ground Zero, All You Folks

'Ground zero' is the spot directly under a nuclear bomb explosion. For the last seven days, a nationwide series of lectures, debates and entertainments called Ground Zero Week tried to educate people about what might happen near such an unfortunate place. Events ranged from the scholarly to the sardonic, from teach-ins on college campuses to "Run For Your Life" footraces and bicycle tours. Despite widespread publicity, it did not attract crowds everywhere.

In New York, only one of eight runners scheduled to participate in a "Run for Peace" showed up. In Washington, a Lafayette Park "speak-a-thon" consisted of one man with a bullhorn addressing a half-dozen onlookers. But in Detroit, about 2,000 people listened to arms control expert Paul Warnke and former Representative John Anderson. Ground Zero spokesman Ellis Woodward estimated that by week's end one million persons had participated in 650 towns, 350 colleges and 1,000 high schools. "The media jumped on this thing like it was the last train leaving town," he said, emphasizing that the group's goals were educational rather than mass-political.

Given the increasingly politicized debate about weapons development and arms control, it was perhaps this emphasis itself that kept actual interest in Ground Zero Week cool. It may also help explain why the Administration has been less hostile to Ground Zero than to proponents of a nuclear "freeze." In an election year, President Reagan may have good reason to smile upon any movement that tries not to take sides. "I have to be heart and soul in sympathy with the people that are talking about the horrors of nuclear war," he said at a news conference last week.

The Buck Stops There

After months of silence, the United States Supreme Court announced last week that it would decide whether racially discriminatory private schools are entitled to Federal tax exemptions, and appointed William T. Coleman Jr., former Secretary of Transportation and a prominent Washington lawyer, to argue a legal position abandoned by the White House.

When the Justices hear two related appeals in the fall, Mr. Coleman, as a "friend of the court," will argue that the Internal Revenue Code permits the Government to deny tax-exempt

status to schools that discriminate on the basis of race. The status of the cases has been unclear since early January, when the Reagan Administration abruptly revoked a longstanding Internal Revenue Service policy, supported by previous Federal court decisions, against granting tax exemptions to such schools and asked the Court to dismiss the cases.

The Court's decision, when it comes, could give the Administration a graceful way out of a tight corner. Faced with mounting criticism, Mr. Reagan had explained that he opposed exemptions for schools that discriminated, but felt that the tax service had been acting without authority. He then asked Congress to pass a law providing it, even though most scholars said the legal justification was firmly established. With Congress not eager to move, the Administration in February withdrew its "mootness" claim, asking the High Court to decide.

Zones of Doubt On Reagan Plan

The linchpin of President Reagan's program to revitalize the economy also holds the key to his plan to revitalize the cities. Last week, at a Senate hearing on the Administration's proposed enterprise zones — forms of free-market frontiers in decaying urban neighborhoods where taxes and regulations are cheap — the argument echoed that supply-side incentives alone won't turn the economy's engine.

Mayors, governors and business executives told the panel that as presently constituted, the enterprise-zone plan is too little of a good thing. Without direct subsidies, such as continued job training, economic development and housing programs, they emphasized, tax credits alone won't bring new prosperity because new and small businesses don't expect much to make much profit and so wouldn't be paying much taxes. As for employing the disadvantaged, many mayors said, the Government should pay the full amount of a proposed 50 percent tax credit on the wages of each disadvantaged worker to businesses that owe no tax.

Still, the program is popular — particularly in Congress. "For one thing, it is expected to cost less than \$4 billion in lost tax revenues through 1987. For another, it is the only new urban program around. Hundreds of applications are expected; up to 25 zones will be a year will be approved for three years.

Caroline Rand Herron,
Michael Wright
and William C. Rhodes

The Deficit Aggravates Congressional Rifts and Common Anxieties

11th Hour for the Budget May Last a Long Time

By STEVEN R. WEISMAN

WASHINGTON — For a month now, rank-and-file members of Congress have been in the odd position of restaurant patrons waiting for the chefs to finish haggling over the dinner menu. Last week, negotiators for the White House and the Congressional leadership appeared to be narrowing their differences on ways to revise President Reagan's 1983 budget. But it remained unclear whether Congress had the stomach for the three-year, \$425 billion plate being readied for its table.

The compromise, designed to bring the Federal deficit down to \$45 billion in the 1985 fiscal year, contained ingredients distasteful to all sides. The hope was that Congressional Democrats would accept a three-year diet of nearly \$40 billion in cuts in nonmilitary spending and another \$80 billion in cuts in welfare, food stamps, certain retirement and health benefits, possibly including Social Security. The Republicans would agree to swallow some \$110 billion in tax increases, \$30 billion of cuts in the growth of military spending and possibly the infusion of some excise tax revenues into the Social Security system.

The negotiators' facesaving breakthrough — if it turns out to be that — was said to be agreement on establishing general savings targets without specifying immediately how they would be achieved. As had been the case for weeks, Mr. Reagan and the Speaker of the House, Thomas P. O'Neill Jr., remained aloof, neither willing to embrace any part of the deal at least until he could be sure the other was also ready to do so.

Apocalypse/Compromise Now

What was there to create a desire in Congress for such a difficult election-year package? According to both Republicans and Democrats, the overriding motive was fear.

In this view, Congress is sitting down to an economic "last supper," with only one final chance to avert economic disaster. The basis for such concern can be found in the current recession, which has forced the Administration to acknowledge that, unless major savings are achieved, the 1983 deficit could grow to a staggering \$180 billion. In this scenario, the deficits projected thereafter are so large that they might permanently stifle recovery. More immediately, by raising the chances of inflation, they might keep interest rates high and so demolish the housing, thrift and automobile industries and provoke a few big corporate bankruptcies this spring or summer, setting off a panic and possibly even a depression.

Not everyone shares this view, which one official called "Apocalypse/Compromise Now." But some key players are said to. Among them, according to an Administration aide, is David A. Stockman, director of the Office of Management and Budget, and the chairmen of the budget committees in the House and Senate, Representative James R. Jones and Senator Pete V. Domenici. They all have been getting advice lately from alarmed business executives. Indeed, a key Democratic staff member said that plans to ask some of these businessmen to testify have been put off out of fear of "spooking" the public.

The apocalyptic view is reinforced by the likelihood that any failure to agree would be accompanied by a stormy clash between President and Congress, which in turn would spread alarm in the financial community. If each party decides to go its own way, there would almost certainly be angry clashes between the Republican Senate and the Democratic House as well. The resulting uncertainty would likely drive interest rates up.

Still, a White House back-up strategy contemplates just such turbulence, with Mr. Reagan exercising his veto power and denouncing the legis-

lators for their alleged failure to control Government spending, and Democrats likely accusing Mr. Reagan of having caused the recession and then focusing on the issue of equity — the feeling that Administration cutbacks have fallen unfairly on the poor and working classes. The increasing sensitivity to such a charge was in evidence last week, when Administration aides denounced as "misleading" a CBS News television documentary, "People Like Us," with correspondent Bill Moyers, that presented the story of three "victims" of its economic policies. CBS News maintained the documentary was neither misleading nor unfair.

But while few at the White House relish a year of struggle over the budget, the prevailing view is that a deadlock could be exploited to Mr. Reagan's advantage. This is because many in the Administration disagree with Mr. Stockman, and reject the "last supper" vision of what faces Congress. The President himself, for example, is known as the trustee of the true believers in the ef-

ficacy of his course of conduct.

The non-apocalyptic Administration aides argue that no matter what is done with the budget the 10 percent cut in income taxes due July 1 will bring about modest economic growth — just enough, in this view, to allow Mr. Reagan to assert that his program is working, accuse the Democrats of trying to spend their way out of the recession, and appeal for the election of Republicans. "I am not saying this is our scenario now," said one Administration official. "But I think you will see it emerge quickly if there is a failure to agree on the budget, or if the agreement on the budget doesn't hold when it gets submitted to the Congress at large."

In neither of the aforementioned scenarios is there a prospect of healthy, robust recovery. That could only occur, Administration aides and their critics agree, if there is a swiftly enacted program to close deficits in future years.

But a balanced Federal budget has eluded so many Congresses for so long that it seems like an impossible dream. Instead the reality has been a series of fitful, mostly unsuccessful attempts, all exposing deep political divisions in the nation and yielding nothing but continued stagnation. Already some pessimists are saying that this will be the pattern again, accompanied by more acrimony than usual, so that both political parties can gird for November and try again with a newly elected Congress in January.



Nicolas Anich

Casey Holds Some High Cards, but He Also Has Powerful Critics

After Bobby Inman, Whither the C. I. A.?

By PHILIP TAUBMAN

WASHINGTON — According to the current incumbent, William J. Casey, to be successful the Director of Central Intelligence must maintain good relations with four groups: his own staff, Congressional oversight committees, senior government officials who receive intelligence data and friendly foreign intelligence services. By that measure, Mr. Casey said recently, his own performance should be considered good.

His assessment will probably soon be put to the test in the wake of last week's surprise announcement by the White House that Adm. Bobby Inman, the Deputy Director of Central Intelligence, plans to quit later this year to go into private business. A number of senior government officials believe that Admiral Inman's expertise and eloquence have diverted attention from trouble in the agency and kept his boss from looking bad. "I'll tell you one thing," said Senator Joseph R. Biden Jr., Democrat of Delaware and a member of the Senate Intelligence Committee, "The wrong guy is leaving."

Associates of Admiral Inman, challenging the official explanation, said the resignation was prompted by a series of clashes with the White House and mounting frustration over the direction of the Administration's policies.

There is a general consensus in the intelligence community that Admiral Inman, who watched over electronic intelligence collection, has played a crucial role in the day-to-day management of the agency and in dealings with the outside world. Mr. Casey, who received his intelligence baptism running American agents behind German lines in World War II, concentrated on rebuilding the agency's clandestine operations division and oversaw the preparation of national intelligence estimates.

In several major intelligence policy debates, including the drafting of an executive order governing the activities of intelligence agencies, Mr. Inman advocated positions that were often sharply at variance with the views of Mr. Casey and other senior national security officials. He fought, for example, to maintain the controls on domestic intelligence gathering that had been imposed by Presidents Ford and Carter.

Despite his reputation as a comparative dove, Admiral Inman was called upon by the White

House last month to present the Administration's case to the public about Soviet and Cuban interference in Central America. When the House or Senate intelligence committees demanded information, it was usually Admiral Inman who briefed the members in a precise, satisfying style. Mr. Casey, by contrast, infuriated the Congressmen with answers they considered imprecise and evasive. In a press conference Friday, Senator Richard G. Lugar, Republican of Indiana and a member of the intelligence panel, complained that Mr. Casey still doesn't know the ins and outs of his agency's operations, maintaining that "there are complexities that would take more years to understand than Casey will be alive."

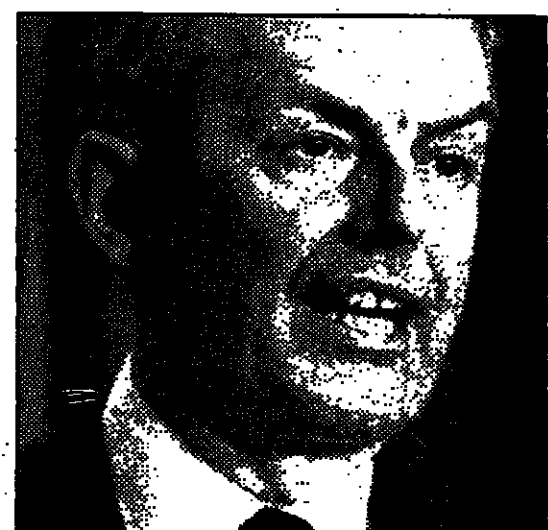
Mr. Casey's relations with the committee were further poisoned by its investigation last year into his personal financial dealings and the demand of several senators, including chairman Barry M. Goldwater, Republican of Arizona, that he resign. The committee eventually concluded that Mr. Casey was "not unfit" to serve as the agency's director.

Fears of Politicization

Mr. Inman's departure will likely magnify some of Mr. Casey's problems. For one thing, Mr. Casey cannot shake his image as something of a wheeler-dealer, and critics such as Senator Biden fear that he will plunge the agency into swash-buckling overseas operations that may not be carefully planned.

The resignation of Admiral Inman is also likely to renew fears that the agency will become politicized. Such concerns were first aroused with the appointment of Mr. Casey, who had served as Mr. Reagan's campaign chairman, and by Mr. Casey's subsequent naming of a campaign aide, Max Hugel, as head of the agency's operations division. Mr. Hugel, who had no previous intelligence experience, resigned last year after allegations that he had violated securities laws when he was in private business.

Another issue that Mr. Casey will face is concern that the agency and other intelligence agencies may be tempted to take advantage of the reduced constraints on domestic intelligence gathering. For the first time, the agency is authorized to conduct certain kinds of intelligence-gathering operations inside the United States. Recently, Mr. Inman and others succeeded in modifying a Presidential directive to review the government's



Admiral Bobby R. Inman

counter espionage operations which they feared might lead to the creation of a new intelligence organization with broad authority to undertake domestic investigations.

Some of the concerns about politicization and spying on the home front stem from Mr. Casey's close relationship with President Reagan, which gives him ready access to the Oval Office. While there is no evidence that the Reagan Administration is giving any consideration to using the C.I.A. and its resources for partisan gain, memories of the pressures former President Nixon brought to bear on the agency are disturbing to some members of Congress.

Mr. Casey is not without assets. He participates in Administration foreign policy formulation and is adept at protecting his interests. Mr. Casey has also made it clear that he wants to strengthen the agency and that has had a positive impact on morale, which has been low since revelations about abuses of law in the mid-1970's. In addition, his campaign to gain Congressional approval of a law prohibiting the identification of American intelligence agents, and a concurrent drive to have the agency excluded from the Freedom of Information Act, have been won. Mr. Casey friends in the world's intelligence communities.

Democratic rebound

The shift in the public's identification with Democrats and Republicans (in percent)

	1980	1981	1982
Total	53 39 39	49 49 50	52 36 36
Men	52 35 17	46 42 14	49 36 15
Women	54 37 22	52 47 15	55 38 20
Whites	49 37 12	45 43 12	47 39 16
Blacks	61 31 70	77 16 82	52 19 72
Northeast	50 36 34	48 39 19	52 34 18
Midwest	50 35 15	45 42 13	46 38 18
South	59 29 20	54 36 18	54 33 21
West	52 35 18	47 43 14	50 36 14

Note: percentages shown indicate those identifying with either major party, including independents who say they lean to one or the other. Independents with no leanings are not included.

Source: New York Times/CBS Poll

With an Eye On Elections

As members of the House struggled back into Washington last week after a two-week Easter break, it might have been understandable if a few hadn't bothered unpacking.

Many Representatives who made the district rounds said their constituents were concerned about whopping deficits and sky-high interest rates, but anybody with a stake in any Federally-subsidized program didn't want it trimmed a whit. So with the budget outcome in doubt and no economic quick fix in sight, there's considerable worry on Capitol Hill about how the eventual credit/blame will be parcelled out — and about the

Election Day consequences. Some conservatives seem as ready as the most knee-jerk of liberals to apply legislative Band-Aids. Last week, for instance, the Republican-run Senate Banking Committee ignored White House objections and approved a \$5 billion mortgage interest subsidy program.

With polls showing many groups of voters once again tilting Democratic, Republican strategists are lowering their sights. There's not much talk any more about winning control of the House in November; the Republicans, who picked up 33 seats in 1980, will probably lose a few. In the Senate, a number of Democrats of the liberal-to-moderate stripe, who might have been swept out of office in the 1980 conservative sweep, for the moment seem on firmer footing.

China Unleashes a Capitalist Tool

It's luring Western factories to its special economic zones. Pepsi has moved into one.

By CHRISTOPHER S. WREN

SHENZHEN, China — When Pepsi-Cola's bottling franchise in Hong Kong shut down last year, the corporation looked at the cheaper wages, rents and taxes just across the border in China and decided to spend \$5.5 million to relocate here.

A modern new plant, which can produce 4.8 million cases of bottled and canned soft drinks a year, began operating last month with 25 Chinese employees. The American-made concentrate is trucked into Shenzhen, mixed with Chinese sugar and water, and trucked back duty-free into Hong Kong for customers there and elsewhere in Asia. There are hopes of eventually selling Pepsi-Cola, which translates phonetically into Chinese as "one hundred things happiness," to the Chinese themselves.

The workers, who are paid a third of the going wages in Hong Kong, had to be taught how to run an American assembly line. "From the beginning, they didn't know what to do, but when we trained them, they picked it up fast," said Lim Mon Foo, Singapore-based operations and marketing manager. "Of course, there are a few who need more supervision, but they can keep up."

Pepsi-Cola is the first American corporation to set up production in Shenzhen, which is the largest of four special economic zones created by China to attract foreign capital and technology. Like the other zones at Zhuhai and Shantou, also in Guangdong province, and Xiamen in Fujian province, Shenzhen offers abundant cheap land and labor. Its particular advantage, though, is proximity to overcrowded Hong Kong, a mere 20 miles to the south. Up to 95 percent of its foreign capital has come from entrepreneurs expanding out of Hong Kong.

Economically as well as geographically, Shenzhen has two frontiers. As it develops into an industrial suburb of Hong Kong, the zone's northern border is being sealed off from the rest of Guangdong province to prevent capitalistic contamination. Only Chinese with special permits can enter the zone and workers, who earn extra "frontier pay" equivalent to 10 percent a month, need permission to do so.

In justifying double borders for special economic zones, Xu Dixin, a prominent economist, explained in Shanghai's World Economic Report last summer that "if the demarcation lines are abolished, foreign capital will be moving about everywhere without restriction and run rampant."

The special economic zone of Shenzhen, called Shumchun in Cantonese, occupies only 126.5 square miles. According to the latest official statistics, the zone, which was inaugurated in May 1980, has attracted foreign contracts worth more than \$1.7 billion in potential investments. Shenzhen trade officials say that more than 1,100 projects have been planned.

Even so, the majority of these are relatively small and involve property development rather than industrial technology. China's development of its special economic zones has been hampered by a weak infrastructure, a generally unskilled labor force, vague laws, bureaucratic red tape and wages, rents and taxes that are pegged to compete with Hong Kong but not with cheaper countries in Asia.

Until a few years ago, Shenzhen was known as Bao An, a rural county whose residents tilled the sandy soil

near the east coast of the Pearl River estuary. The population has now tripled, to 90,000, and is expected to reach 400,000 by 1990 and a million by the year 2000, according to Chen Enyuan, a section chief of the city's foreign affairs office.

"Our purpose in establishing the special economic zone is to introduce advanced technology and foreign capital," explained Yuan Liliang, an official in Shenzhen's Office of Introductions and Negotiations. In return, the zone offers a tax rate on profits of 15 percent, which is less than the 18.5 percent in Hong Kong or the 30 percent minimum in other areas of China.

The zone offers particular relief from the spiraling rents and salaries of Hong Kong. Investors are not allowed to buy land but may rent it at an annual rate ranging from 50 cents to \$1.50 a square foot for industries or about \$3.50 to \$10 a square foot for commercial businesses. The industrial leases run for a maximum of 30 years and the commercial leases for 20 years.

The wage scale is a subject of greater controversy. "We think the wages at present are much lower than in Hong Kong," said Huang Derong, another Shenzhen trade official. He estimated that they ran about a third of the \$345 monthly wage in Hong Kong. This is still substantially more than the \$34 basic monthly wage earned by the average Chinese industrial worker. Under new regulations promulgated last November for special economic zones, only 70 percent of the wages go directly to a worker. The other 30 percent go to the Government for vaguely defined labor insurance, welfare fund and "various state subsidies."

Though the Shenzhen special economic zone welcomes various forms of investment, about 70 percent of the industries that have relocated there are assembling or processing goods for export back to Hong Kong. Workers at the Pao Wai electronics factory make transistor radios that will eventually be sent to a distributor in New Jersey. "The radio is simple. They could make it anywhere," said Zhou Gaocheng, the deputy manager. "But here the land is very cheap, so they save money." The factory itself only earns \$2.44 on each radio, he said.

In the Luohu district, two small hills have been leveled to make room for a commercial center that will cost \$400 million for Hong Kong investors to construct. Mr. Chen said that the site would encompass 100 buildings rising from 18 to 44 stories in height.

To keep pace, the Chinese side has committed the equivalent of \$110 million just to build new roads. Mr. Chen said that 30,000 Chinese construction workers were already in the zone and another 30,000 would arrive by the end of the year.

Some districts within the Shenzhen special economic zone have also proven more successful than others. The tightest operation is run in the western district of Shekou by the China Merchant Steamship Navigation Company, a Hong Kong-based operation with Chinese Government links. Shekou, with 21 projects so far, has become a model zone within a zone.

A Swiss machinery repair plant; a Danish marine container factory and a marine paint factory are among the new industries in Shekou. A support base for offshore oil drilling is planned at Chiwan Bay next door.

Last month, the People's Daily newspaper disclosed that Zhou Zhirong and Xu Zhiqiang, two leading officials of the Shenzhen branch of the China Electronic Technology Import and Export Corporation, had been arrested for wide-scale smuggling of Western television sets, cassette recorders and other prestigious consumer items for profitable resale in Canton.

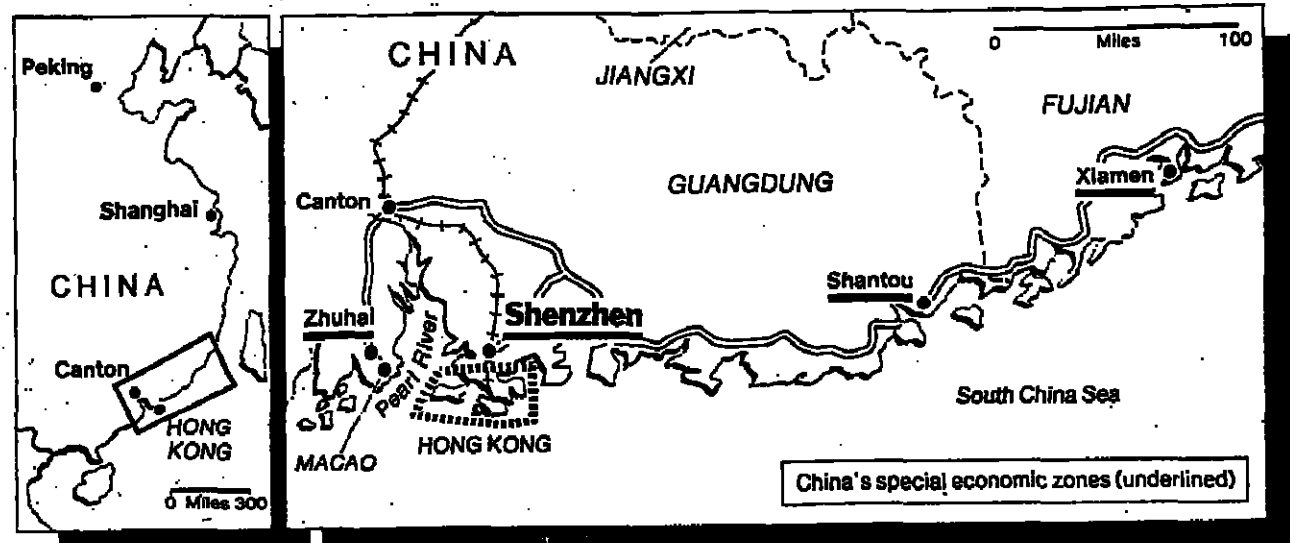
The scandal prompted warnings from hard liners that the open door policy in Shenzhen and other special zones was inviting foreign exploitation and corruption. But the provincial

party secretary, Ren Zhongyi, while conceding a "harmful influence of capitalism," said the policy would continue.

While on guard against them, we must not regard all business people from Hong Kong, Macao and foreign countries as dangerous elements who have come to corrupt our people," Mr. Ren said.

The tightening of Shenzhen's northern border is expected to help cut the flow of contraband to the rest of the country. In the meantime, the customs checks at Wanjindu, where 1,500 trucks a day cross between Hong Kong and China, have produced some long delays. The Chinese side has promised to open up two more road crossings and start moving goods to Hong Kong by rail and boat as well.

There are also plans to develop Shenzhen as a tourist window on China. Several joint-venture hotels have already been built. Club Med is negotiating to build its first resort in China for \$20 million on a beachfront at Dapeng Bay east of Shenzhen.



INVESTING / Eric Pace

Timing Your Move Back Into Stocks

There's little point to rushing in. Let the bottom pass. Then, cherry-pick your way back, one adviser says.

WHEN should an investor move into the stock market to try to exploit the arrival of better times? Having decided when, what stocks should he buy? Varied suggestions are being put forward on Wall Street these days, some of them contradictory, and the leitmotif is caution.

The range of recommendations is considerable: E.F. Hutton's research, for instance, suggests that the investor would be well-advised to wait until three months or so after the market hits bottom before commencing his funds.

At Goldman, Sachs, it is said that, given the economy's unpromising prospects, an investor who wants to buy now should stick to such safely "non-cyclical" issues as soft-drink stocks. But elsewhere on Wall Street it is argued that the market hit its bottom last month, and that an investor should already be doing some highly selective buying of bargain stocks.

Fred S. Fraenkel, first vice president and director of investment strategy at E.F. Hutton & Company, reports that new research into past market cycles indicates that trying to anticipate the market by buying stocks six months or three months before a market bottom was not as rewarding as buying stocks three months after the market bottom was reached.

He says the study, carried out by Mallory J. Lennox, a Hutton investment strategist, shows that "the popular notion that you should be early isn't substantiated by any of the last 12 market cycles, going back to 1949."

Why so? "Generally, in the last phase of a bear market, the selloff can be quite extreme," Mr. Fraenkel says, "and no one is usually good enough to pick the exact bottom. So if you have to be a little early or a little late, it's better to be a little late."

Miss Lennox's research into the dozen cycles indicate that if an investor had bought all issues in the Standard & Poor's 500-stock index six months before the market reached bottom and held that investment 12 months into the recovery periods, he would have made an average of 7 percent.

If the investor had bought the S.&P. 500 stocks three months before the bottoms and held them 12 months into the recovery, she finds, he would have made an average of 12 percent. If he had succeeded in buying the stocks at the exact market bottoms and held them 12 months, he would have made 27 percent. But if he had bought the stocks three months after the bottoms occurred, he would have done almost as well, making fully 23 percent over the next 12 months.

But then, how can an investor know when the market has reached its trough?

Profiting From the Market's Cycles

Prescience in anticipating stock market bottoms is a knack of doubtful worth. E.F. Hutton has found that investing in the Standard & Poor's 500 stocks after the market has reached its nadir is more rewarding than investing six or three months before. Table shows gains an investor would have realized on an annual basis by buying holding the stocks for 12 months after the market's bottom.

Market Bottom	6 months before	3 months before	At trough	3 months after	6 months after
June '49	15%	21%	34%	28%	26%
Sept. '53	14	25	35	45	36
Dec. '57	8	18	33	36	40
Oct. '60	15	18	27	19	6
June '70	6	10	31	28	22
Oct. '74	-3	10	28	29	8
April '80	19	17	31	16	6
Average	11	17	31	29	20

Source: E.F. Hutton

"Basically," says Mr. Fraenkel, "we think nothing good is going to happen to the stock market until you see the bond market do well — that is, until there is a significant drop in long-term interest rates and enough liquidity for companies to issue new long-term bonds."

That view, he says, "does not relate so much to the alternative to stocks that bonds represent as an investment." Instead, he goes on, "it has more to do with the fact that corporate America cannot do well until the bond market opens up and allows it to do some long-term financing."

The stocks that Mr. Fraenkel expects to do well as harbingers of the market's doing well are the interest-rate sensitive stocks, including banks, financial and insurance companies, and electric utilities.

SOME banks that Mr. Fraenkel mentions in this connection are BankAmerica, Bankers Trust, First Chicago and the Mercantile Texas Corporation. Financial and insurance companies include TransAmerica, the Foothill Group and Cigna, which was created by the recent merger of Connecticut General and INA.

At Goldman, Sachs, Steven G. Einhorn, vice chairman of the investment policy committee, suggests another kind of caution. "Right now," he says, "because our expectation is of continued sub-par economic growth, we would focus our attention on the noncyclical stocks in the marketplace — such as the foods, for example, the soft drinks, selected office-equipment companies, and selected other consumer nondurable goods issues."

Mr. Einhorn and Leon G. Cooperman, the investment policy committee's chairman, have been saying for months now that an effective low in stock prices is near. "An equity-market level of about 800 on the Dow and 110 on the S.&P. 500 would in all likelihood represent the approximate lows for this market cycle," Mr. Einhorn said.

"Basically, what we are suggesting," he continues, "is that there is not a large amount of downside risk in the market at present." But he also empha-

sizes the view that "upside potential in the equity market" remains modest at present.

"To get a sustained advance in the equity market will require a believable and sustained decline in interest rates," Mr. Einhorn says, but he is not predicting exactly how much time the market will take to turn around.

Does the performance of past market cycles offer guidance on this point? "On average, the market will tend to bottom about three months after a peak in short-term interest rates," Mr. Einhorn says, but he warns that "that kind of classical relationship is not likely to obtain now," because the current situation is, historically speaking, atypical.

At Paine Webber Mitchell Hutchins, Robert L. Stern, an analyst in the investment strategy group, cautiously advises a highly selective approach to the stock market now. Voicing his personal opinion, he says: "If I were investing, I would be cherry-picking my way back into the market, looking for unusually cheap stocks with favorable earnings and valuation outlook."

Elaborating, Mr. Stern says: "There are those of us who believe that we have bottomed already," last month. The year's low close, 795.47 on the Dow, came on March 8.

"We have spent some time looking at the stocks which have outperformed and underperformed the market" in the intervening weeks, he reports, "in an attempt to identify those stocks which we think will lead the rally."

First, he says, "There is a group that has been characterized as eclectic cyclical companies," including gaming, entertainment, airline, appliance, broadcasting, retailing, specialty retailing and trucking companies. The second group is gaming-technology stocks, including notably semiconductor and instrumentation stocks, he says, and the third is domestic energy stocks.

The stocks which have been outperforming the market will continue to outperform it, Mr. Stern thinks, "and we will find ourselves in a consumer-led recovery, starting in the second half."

THE WEEK IN BUSINESS

First Quarter's Economic Decline is 3.9%

The economy declined at a rate of 3.9 percent in the first quarter. The drop was largely because of inventory liquidation, the Government said. The economist Henry Kaufman predicted that improvement would start soon but might not last into next year.

OPEC says oil output has fallen to 16 million barrels a day, more than a million below its ceiling. The decline is putting some strength back in world oil markets.

A 4 percent surtax proposal on incomes over \$40,000 received new impetus. Treasury Secretary Donald T. Regan hinted at possible acceptance of such a plan as part of a budget compromise.

Durable goods orders rose 1.9 percent in March after a 3.5 percent gain in February.

Personal income rose four-tenths of 1 percent in March and consumer spending slipped two-tenths of 1 percent.

The money supply fell \$1.9 billion in the latest reporting week, the Federal Reserve said.

Stocks rallied. The Dow Jones industrial average gained 18.74 points, finishing the week at 862.16.

Hello, Deflation

It took close to 17 years, but it finally happened. The Consumer Prices Index fell. The March figure dipped by three-tenths of 1 percent. Most of the decrease came from sinking gasoline prices and lower food and housing prices.

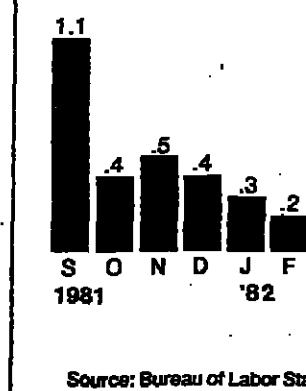
How did it happen? Economists point to the recession, which in turn was induced in part by the Federal Reserve's tight-money battle against inflation. The worldwide surplus of oil didn't hurt, either.

Consumer prices did increase overall in the first quarter and that means Social Security recipients will be getting a 7.4 percent cost-of-living increase July 1, on average about \$7 a month.

Sears profit gained 35 percent in the first quarter. Other gainers: A.T. & T. 13.3 percent, Philip Morris 22.9 percent, United Technologies 42.7 percent, Tandy 30.1 percent, Honeywell 6.1 percent, NCR 10.9 percent, G.T.E. 11 percent, Unilever 6.9 percent, Schlumberger 30.7 percent, McDonnell Douglas 17.4 percent and Indiana Standard 24.7 percent.

Consumer Prices

Monthly percent changes, seasonally adjusted.



The New York Times

Founded in 1851

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Peace for Sand

True to its word and interests, Israel pays Egypt the final installment of Sinai sand today. With this second evacuation in 25 years, it buys a promising state of peace with its most formidable neighbor. But not peace of mind.

What might have been a joyous opening of Israel's first recognized boundary became instead a writhing withdrawal and Masada pageant of protest, with Jews hauling Jews from the rooftops and bulldozers burying dreams in the desert. What might have been only a first act of regional reconciliation became instead another occasion for showering terror upon Lebanon. Violence smothered the hopes of decades and made a historic accommodation look like the final gasp of an exhausted diplomacy.

Arabs and Israelis alike remain bitterly torn about their conditions for peace on the other fronts, all inflamed by the presence of still-disoriented Palestinians. So today's is a separate peace in all but name — the kind that Anwar Sadat warned, in Jerusalem, would never last.

Now Sadat is gone and his successor seems even more determined to end Egypt's isolation from other Arabs. President Mubarak did not let the Palestinians veto the deal with Israel, but neither will he let Israel dictate his diplomacy concerning the Palestinians. This peace will grow, or it will shrivel.

If they lose this peace, Israel and Egypt would shed another generation's blood for no conceivable gain; even cold war could destroy their economies. Yet they have been unable to secure the peace by enlarging it.

The ambiguities by which they disguised their conflict about the future of the West Bank and Gaza are now exposed. Unmistakably, Israel moves to annex the territory while Egypt edges toward alliance with those who want it for an independent Palestinian state. Only the United States can still hope to define a middle course and thus reconcile its obligations to Israel and interests in the Arab world.

There is not now much to build on. Prime Minister Begin regards the Sinai withdrawal as the final

cession of territory. All his life, possession of the West Bank has been only incidental to security; he sees it as a birthright and has implanted like-minded settlers throughout the territory. In a year or two, they will have made it indivisible.

By refusing to negotiate with Israel, the Palestinians and other Arabs, too, leave little room for constructive mediation. They have only exacerbated Israel's mistrust and thus destroyed the psychological value of Egypt's breakthrough. If left now with the stark choice of annexing the West Bank or yielding it to a hostile Palestinian state, even Mr. Begin's sizable Israeli opposition would annex.

But that opposition still breathes, and it pants for American support. It is led by realists who think that incorporating a million Arabs into the Jewish state poses a greater threat to security than guiding them toward their own destiny. There may be risks in offering the Palestinians real autonomy and a separate political future, but many Israelis prefer them to perpetual domination or war.

What this opposition urgently needs is America's help in clearing a path to the Palestinians. And that requires a dogged reaffirmation of the Camp David promise of "full autonomy" — until elected Palestinian leaders can join with Israel, Egypt and Jordan to determine the region's future.

Of the Camp David signatories, only the United States can now give "autonomy" in the West Bank a constructive definition, one that separates Israel's security requirements from Palestinian political and territorial rights. Mr. Begin and the P.L.O. notwithstanding, these need not be incompatible.

After four years in the close quarters of the Middle East, Israelis tend to associate security with the size of their territory. War followed their first surrender of the Sinai's "strategic depth" — but the costliest war of all occurred while they held it. The depth of this new peace does not depend on the size of the terrain again surrendered. It depends on a breadth of vision in many places, on the churning under of fears instead of dreams.

Crude Victory Over Inflation

Though it means only that a dismal economic situation has become a little less dismal and though White House exuberance over the announcement rings false, there is still reason to cheer the news that the Consumer Price Index actually dropped in March at an annual rate of 3.3 percent.

It was the first monthly decline in the index since 1965 and the deepest since 1953. Although the decline may turn out to be a one-month miracle, it reflects a broader slowdown in inflation. Consumer prices in recent months have risen at annual rates of between 3 and 5 percent, a marked improvement over the rates of 12 to 14 percent not so long ago. Barring unforeseen calamity, the moderation should hold at least until the anticipated recovery later this year.

The germane question, however, is "so what?" Although inflation has fallen faster and further than analysts expected, the reason is a nasty, old-fashioned recession, with the accompanying waste in people's lives and industrial resources.

The White House would prefer to forget how much the recession and reduced inflation are sides of the same coin. Larry Speakes, the President's spokesman, sought to take credit for the good news on Friday, tracing it to "our consistent economic policy, which has cut the rate of increase in Federal spending, our support of a stable monetary policy

and our policy of non-intervention in the marketplace." That was a curious statement from a White House that keeps on insisting that its economic policy won't even begin to have real effect until July. If the Reagan Administration wants to take credit for reducing inflation, it also has to take the blame for the recession.

It was President Reagan's stubborn insistence on a multi-year tax cut that forced the Federal Reserve Board to attack inflation by engineering a slowdown. For the past year, tight monetary policy and the resulting high interest rates have been Washington's only anti-inflation policy.

No one questions the power of a recession to beat back inflation. But that is a crude victory and a costly one, especially for the 9 million thrown out of work in the process. Nor will the victory necessarily last. The next recovery, whenever it comes, will begin with less inflation than the last, but prices will still be under strong pressure from labor costs. Wage demands are likely to push them up by 5 to 6 percent a year after the recession, even assuming a strong rebound in productivity.

The challenge for economic policy has been to achieve price stability without recession and to sustain that victory during prolonged economic growth. That was Mr. Reagan's promise as he sought the Presidency. The goal remains as elusive as ever.

Topics

Upscale Gum

It being abundantly clear that affluent Americans will pay a premium for interesting products, a Danish company today starts marketing Stimorol, a chewing gum for the rich. As Phil Dougherty reported in his Advertising column Friday, the Dines regard the product as a fine breath freshener and know it sells in Europe. For Americans, they are changing its color from blue to pure white, packaging it in silvery paper with a Gucci stripe and charging 35 or 40 cents for 12 pieces.

It sounds plausible. There's bubble gum for kids, sugar-free gum for mothers and dentists, anti-smoking gum, liquor-flavored gum. Why not go up the down gum scale? If moneys and stripes sell tennis shirts and loafers, why not gum?

We wish the Dines well, but worry that it may not be easy. Our concern is not with the quality, the price or the packaging but with the intrinsic idea: Do rich people chew gum?

Our favorite authority on the rich says, with cool confidence, "Certainly not in Newport or Palm Beach, and where else matters?" Just as we thought. We suspect that packaging chewing gum for the rich is like packaging polyester slacks for the rich, or U-Bowl trailers for the rich, or TV dinners for the rich. The problem isn't flavor but taste.

Modern Times



Playing Soldier

No, this picture isn't a fake, and those children really are being trained by a Green Beret in Honduras. Newsweek, which first published the photo, says they are supposed to be paratroopers. It is reported that a score of children under 16 forms a special contingent; some, age 13, must carry weights to achieve the 116 pounds needed to force open a standard parachute. No doubt the Pentagon is glad to send a message of anti-Communist resolve to Central America. But how can the Green Berets stoop to using messengers barely four feet tall?

Invited Computers

Some landmarks loom so large you walk by without noticing. Take two recent milestones of the computer age. One is the estimate that the population of computers is about to reach 5 billion, outnumbering humans. Will it matter?

Of course the 5 billion figure includes computers of all kinds, from the microprocessor in your digital watch to the Cray-1 mainframe that simulates global weather or nuclear bursts. Neither kind is likely to jump out and grab you, or demand the vote. No, the threat comes from the computers you invite home, the so-called personal computers. They come in quietly, politely, and you entrust them with your correspondence and bank records. Then you patch them in to your telephone line so they can rap with data banks and mode with one another.

Next they offer to run your household, waking you up in the morning and turning out the lights at night. They ask for speech modules, and learn to imitate your voice. A whole industry is out there trying to satisfy their burgeoning demands. The latest thing is mechanical arms. It will be legs next, then a checking account and then a computer of its own.

The other milestone? Last fall, a Japanese worker, Kenji Ueda, became the new age's first victim: he was crushed to death by an industrial robot he was trying to repair.

Letters

Halt the Abuse of Habeas Corpus Unlimited

To the Editor:

A recent Op-Ed article by Judd Burstein [March 30] described pending Congressional reform of habeas corpus procedures as "radical" and suggested the legislation would devalue constitutional protections. Permit me to offer your readers a legal analysis of the bill, which Mr. Burstein was either unqualified to give or chose not to so as to avoid weakening his premise.

The legislation in question was proposed by the Department of Justice in an effort to end gross abuses of the writ of habeas corpus, abuses which have stalled finality of judgment, undermined the integrity of state court judgments and destroyed public confidence in the criminal-justice system.

Mr. Burstein says the legislation will prevent Federal courts from reviewing state court judgments to be sure the Constitution is being faithfully applied. This, of course, is the central issue in the debate between those who seek to curtail the recent trend of Federal district and circuit courts to second-guess juries, state trial judges and, in many instances, state supreme courts, and those who want an unlimited number of courts to which they can appeal, in the hope that they may find one that will ultimately agree with their position.

The bill would limit Federal review to questions of fundamental unfair-

ness. Under these circumstances, a Federal court could always make a determination of the issue of fairness or rights violations without regard to a state court's conclusion. I believe that "fairness" requires nothing more to be accorded to any individual.

The unspoken premise of Mr. Burstein's position is that state courts cannot be trusted to protect the constitutional rights of persons accused of criminal acts. I reject this suspicion as unfounded, and the U.S. Supreme Court has also repeatedly rejected such a contention. As the Court said in *Powell v. Stone* in 1976, state court judges are obligated to safeguard personal liberties and are as competent as Federal district judges to decide Federal constitutional claims.

Mr. Burstein listed *Irvin v. Dowd* as an example of the need for broad habeas corpus powers in the district courts. Under the fairness standard in the bill, the *Dowd* case could have been reviewed by a Federal court by petition for habeas corpus. Moreover, even with passage of the bill every defendant can still seek review of his conviction by petitioning for certiorari review to the U.S. Supreme Court.

In the last seven years, the Supreme Court has reviewed three Florida cases involving alleged denial of fair trial because of adverse pretrial publicity. In each case, the judgment of the Florida

Supreme Court was upheld, and *Irvin v. Dowd* was found not applicable.

Mr. Burstein's description of the bill as "radical" indicates a bias toward allowing a case to be forever appealed and re-appealed, even though the state may be unable, because of the passage of time, faded memories and missing witnesses, to retry the defendant.

Moreover, the Constitution and our courts require a defendant be given a speedy trial because memories fade, witnesses die or disappear and it may become impossible for the accused to present a defense. The people, as represented by the prosecution, have the same right to a speedy trial.

Legislation similar to that now pending, which I proposed in 1980, was endorsed by the National Association of Attorneys General, the Conference of Chief Justices, the National Governors' Association and the United States Attorney General's Task Force on Violent Crime. It is ridiculous to suggest that these groups would collectively endorse any "radical" legislation.

The attempt to label the legislation a Reagan Administration effort to renege on our commitment to a constitutional system of justice is clearly political rhetoric designed to defeat a bill that enjoys bipartisan support.

JIM SMITH
Attorney General of Florida
Tallahassee, Fla., April 15, 1982

Freeze Now — Buildup (If Called For) Later

To the Editor:

There is a compromise possible that could reconcile the difference between the Kennedy-Hatfield and Jackson-Warner resolutions to freeze nuclear weapons and achieve the basic objective of both.

Essentially, Senators Kennedy and Hatfield call for a freeze at existing levels; Senators Jackson and Warner seek a mutual reduction of forces followed by a freeze.

Why not an agreement to freeze existing inventories for a fixed period of time with the understanding that, if by the end of that period no reduction is agreed upon, the freeze would terminate and the United States would be committed to a nuclear weapons buildup?

Admittedly, this compromise fails to come to grips with President Reagan's fear that the Soviet Union is strategically stronger, a claim that has some validity. But to the extent that Soviet superiority exists, it appears to be marginal. Very few people believe that the Soviet Union would use its superiority to undertake a first strike against the United States. The concern is that it would use it for political advantage or blackmail.

The compromise proposed here would thus, for a limited period of time, leave the West somewhat vulnerable to Soviet political pressure. But I believe that risk would be compensated for by either one of two outcomes:

(1) The possibility that Moscow might indeed follow up a freeze with an agreement on sharp reductions in strategic forces or (2) the freedom of maneuver the proposal would give the United States at the end of the fixed period to redress the balance.

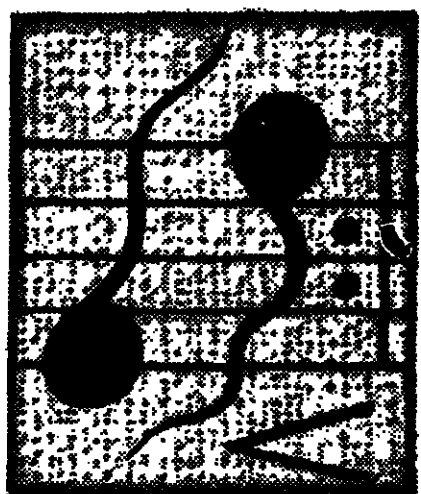
JOSEPH L. NOGEE
Professor of Political Science
University of Houston
Houston, April 8, 1982

Physiology of Getting Hooked on Jingles

To the Editor:

In "The Illiad and the Oddity" (Op-Ed April 17), Mark Edmundson compares the function of today's commercials to that of yesterday's myths. I have been struck by the similarity of jingles and viruses.

A jingle is not a musical cell but a quasi-musical parasite that invades the memory, lies there quiescently



music have an immunological effect against real viruses? The secrets of mind, memory and the immune response are by no means deciphered, but reports are turning up in science magazines to the effect that the brain controls the immune response — that mood on the molecular level, like morale in the military, affects the readiness of our defenses. Military morale is in fact conventionally boosted with marching bands.

Stress is reported to activate a dormant herpes virus. Music has always been said to soothe the savage breast. There seems clearly to be a connection. Jingles might even be stored, physically, in the myelin sheaths of neurons, where viruses also sleep and wake.

MICHAEL NEWMAN

New York, April 17, 1982
The writer is associated with the Warm Spring Harbor Laboratory for Qualitative Biology in New York.

The Watch Generation

To the Editor:

When Benjamin R. Barber says that television can be a weapon in the struggle against passivity and alienation, etc. [Op-Ed April 21], he overlooks the evidence that the medium itself is a creator of these social ills. What could be more passive than mindless viewing, more alienating than lack of conversation?

My father was recently here from out of town, and a visit to grandmother turned static as, on a beautiful spring afternoon, seven of us sat around the TV set. Instead of conversation, there was watching, beer and potato chips.

We are already the victims of the television age — we need less, not more. The state of affairs was neatly summed up by Chance Gardener in the movie "Being There": "I like to watch."

ISABEL J. WILL

Yonkers, April 21, 1982

Louis Lyons in 'Scoundrel Time': A Case in Point

To the Editor:

To your editorial tribute (April 17) to the New England Yankee rectitude of Nieman curator Louis Lyons I should like to append a personal experience.

Just before Christmas during my 1956-57 Nieman year at Harvard, a cablegram arrived from Peking authorizing a visa. Courtesy dictated that I notify the curator, inasmuch as the Nieman Foundation is tax-exempt and U.S. policymakers were violently opposed to any travel to China.

With Calvinistic fervor, Secretary of State Dulles was proclaiming that (1) the First Amendment protected only the right to publish the news, and not the right to gather it, and (2) the presence in the People's Republic of U.S. journalists would "lend respectability" to an "outlaw regime."

Without a moment's hesitation, Louis Lyons bestowed his blessing on my going. During my six weeks in China, when Harvard began to feel the heat, he never wavered in his defense of the right to travel and the public's right to know.

Washington was especially disconcerted because my CBS broadcasts contradicted the official nonsense about the "imminent collapse" of Mao's Government. Deputy Under Secretary of State Robert Murphy personally telephoned CBS president William Paley, and Assistant Secretary Walter Robertson tried to pressure The Baltimore Afro-American into summoning me home.

On my arrival back in the U.S. early on a wintry Sunday morning, Louis Lyons and two Nieman classmates (Anthony Lewis of The Times and Hale Champion of The San Francisco Chronicle) met my plane in a much-appreciated — in fact, indispensable — gesture of solidarity. Officials in the

State and Justice Departments who had begun threatening prosecution under the 1917 Trading With the Enemy Act got the message.

Several weeks later, at a private luncheon at the Nieman Foundation, Louis Lyons assembled Mr. Lewis and Harvard Law professors Paul Freund and Roger Fisher to coach me for testimony before the Senate Subcommittee on Constitutional Rights, where I disclosed all the improper governmental arm-twisting that had gone on behind the scenes.

When a Louis Lyons passes from the scene, one's pessimism, indeed despair, about the future of this country and its impact on the outside world tends to deepen.

But then comes the healthy reminder that Louis Lyons was not some disparate, disembodied journalistic phenomenon but rather a true heir of Boston's rich legacy and vanguard traditions — from Tea Party to Abolition and Underground Railroad; from anti-Manifest Destiny and anti-imperial expansion to the suffragette movement; from anti-Vietnam to anti-El Salvador.

It's true, as Lillian Hellman has said, that this is "scoundrel time." But there's no reason to worry that our present moral crises at home and abroad won't produce stalwarts of the Louis Lyons mold who will refuse to fawn upon the scoundrels and who will (as the Quakers put it) "speak truth to power."

WILLIAM WORTHY
New York, April 17, 1982

When Government Loves Inflation

To the Editor:

Norman Glass has written an excellent letter (April 5) on the subject of tax-bracket indexing. It is clear and accurate, and it should be read and understood by every taxpayer.

He does not, however, touch on some of the political aspects of the problem.

There are many, both in Government and out, who believe that Government should in fact take an ever-increasing share of the nation's wealth, as has been happening for years. Proponents of this view may be about to prevail again, without any meaningful discussion of the question.

This is so because tax-bracket indexing has not been high in the public awareness, and so is ripe for plucking by our timid legislators. Ironically, repealing indexing will not generate any revenue unless there is inflation, and the more the better. Once again, the Government will have an incentive to allow (promote?) inflation.

Reversion to a tax policy which depends on inflation is unwise at best and cynical at worst. It will happen, however, unless our elected representatives become convinced that we know what is happening.

JAMES J. KEAVNEY
Norwalk, Conn., April 18, 1982

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The Falkland Crisis And the Reagan Flaw

By Tony Smith

PARIS — The imbroglio over the Falkland Islands reveals a major flaw in the Reagan Administration's policy toward the third world.

It demonstrates that the centerpiece of American policy — an invitation to friends and clients to put aside parochial feuds and join a "strategic consensus" directed against Moscow — has little hope of success. Nor can our interests in the developing world be dealt with simply by extending a warm hand to whomever would be our friend while readying a Rapid Deployment Force for emergencies created by those who would not. What is lacking in American policy is a willingness to address problems internal to the third world — territorial claims or regime changes — that can only serve Moscow's interest.

Argentina may be serious about destroying Marxism at home and leading a "peacekeeping" intervention in Central America, but Buenos Aires did not hesitate to undermine the United States' grain embargo against the Soviet Union or to create serious strains within the Western alliance by quarreling fiercely with Washington's close ally, Britain.

What the Argentine initiative teaches above all is the strength of nationalist passion in the third world — and the damage this can cause the Western alliance quite apart from Moscow's intentions. It points out the need for a political approach to problems throughout the third world based on an understanding of local concerns that no amount of talking about the Soviet Union or saber-rattling can hope to address.

The lesson to be learned from Argentine nationalism is all the more pointed because this is a case where the irreconcilable claim is especially thin and the Government making it especially fragile. Yet the depth of Argentine passion can scarcely be doubted.

Consider first the character of the Argentine claims. The Falkland Islands are not strategically important to the country; they are quite unlike what Gibraltar represents to Spain or Guantánamo to Cuba. Nor do they represent an obvious economic prize, as the Suez Canal did to Egypt or as the Western Sahara does to Morocco. Nor is a segment of the national population located there, comparable to the Italians in Trieste or the Chinese in Taiwan. Nor can the islands be cited as a daily reminder of earlier humiliations, as India insisted about Goa or as the Arabs say about the West Bank.

Nor can the degree of popular support within Argentina be explained by reference to a charismatic Govern-

ment: The President, Lieut. Gen. Leopoldo Galtieri, is not a latter-day Nasser. From afar it seems strange indeed that Argentine labor leaders, civil rights activists, and even terrorists would take the public stage to laud a Government that has presided over a fearful decline of the economy, that appears on the verge of intervening militarily in Central America, and that only yesterday was arresting — and the day before killing — these very men and their friends. There are historical examples aplenty of countries closing ranks across class and ethnic lines at moments of crisis. The singularity here is the previous unpopularity of the regime and the transparency of its maneuver to curry popular favor. What greater proof do we need of the depth of nationalism in the third world?

The lesson we may hope the United States draws from this unfortunate episode is the need to take more seriously nationalist passion in the third world. This is not to say that these events could easily have been anticipated: The Argentine claims are so tenuous and the Government making them so hollow that it would have been difficult indeed to predict the sudden eruption of this particular volcano. But in the Middle East, Southern Africa, the Aegean, and Central America, passions of equal depth and greater danger are all too often lightly dismissed. Undoubtedly Soviet advances in the third world growing from Moscow's military power are worthy of our concern and may have to be met by force. But Soviet military expansion may not be the most likely, the most difficult, or the most serious challenge for Washington to consider.

Unless the United States is prepared to deal in a political manner with developing countries' complicated territorial disputes and with difficult strategies for internal reform, it cannot expect to be able to defuse many of the time bombs ticking away in the third world. There, force is no answer. Indeed, no greater advantage may be given to the Russians than the notion that a reliance on force alone can succeed in the third world — that these difficult political problems can safely be ignored. Without statesmanship, the many tensions within the Western alliance may cause it to unravel from within, thereby directly contributing to the expansion of Soviet influence.

Tony Smith is associate professor of political science at Tufts University and author of *The Struggle for Imperialism: The United States, Great Britain, and the Late-Industrializing World Since 1815*.



Mugging Anticrime Promises

By Peter B. Bensinger

BETHESDA, Md. — The Administration promised to give priority attention to violent crime and assigned a blue-ribbon task force to write the "script," but there is no money to produce the "play."

The Justice Department's fiscal 1983 budget request sent to the Office of Management and Budget included substantial increases for investigators, prosecutors, and funds for new Federal and state prisons. The State Department's international narcotics bureau briefed Congress on a comprehensive plan to curb production of narcotics overseas. The International Association of Chiefs of Police urged the Administration to back up the commitment to fight violent crime with the people and funds needed to do the job.

But the Administration's budget request sent to Congress opposed these recommendations — across-the-board: Resources to fight violent crime were extensively cut. Millions of Americans may be victimized by this decision.

Criminals are being released early by the thousands to make room for new arrivals at overcrowded state prisons. Governors and judges faced with inadequate, unsafe institutions are letting serious offenders avoid jail. Many citizens, recognizing there is no certainty of punishment, no longer report crimes to the police.

The budget request for Federal prisons was cut and staffing reduced while the inmate population — including many law-breaking illegal aliens — has skyrocketed.

A State Department proposal for aid to Latin-American countries where narcotics are produced has been abandoned. The \$39 million budgeted to fight narcotics production worldwide — the market for them in the United States is \$80 billion — is less than was spent in 1976 when the dollar was worth far more. The availability of heroin is increasing: Deaths in Los Angeles from overdoses have doubled within a year and are at the highest level since 1975.

The Attorney General's Task Force on Violent Crime stressed the need for more Federal criminal investigators and prosecutors. Yet investigative posts at the Federal Bureau of Investigation, Drug Enforcement Administration, Customs Service, and Marshal Service, already 10 percent fewer than in 1975, have been further cut back, as have been prosecutors. Despite increased violence from handguns, the Bureau of Alcohol, Tobacco and Firearms is to be abolished, 1,500 of its jobs are to be cut, and its remaining duties transferred elsewhere. The Coast Guard told Congress it would have to close 19 stations.

Attorney General William French Smith's task force announced sensible recommendations: prison construction, handgun regulation, expanded drug-control aid overseas, more resources for Federal law enforcement. These proposals were discarded — the bill for public safety was too high for O.M.B.

The F.B.I. recently announced only a slight increase in reported crime — but violent crime is now running at the rate of one every 24 seconds, and in New York City a car is stolen every five minutes. Must 11,000 more people be killed by handguns this year? Must we put up with a theft every two seconds, two violent crimes a minute, and more than eight rapes and two murders an hour? Police authorities fear that rising unemployment and increased availability of heroin will cause more crime — as Detroit and Gary, Ind., reported last year.

Vice President Bush is effectively mobilizing Federal crime-control efforts, including military assistance in Florida. Nancy Reagan is encouraging parents to lead the fight against drug abuse. The Administration has accepted legislation aimed at the career criminal and narcotics smuggling. These initiatives must be supported by the people and funds need-

WASHINGTON

The Politics of A-Bombs

By James Reston

WASHINGTON, April 24 — One of the major problems for both the Democrats and Republicans over the next couple of years will be how to keep the control of nuclear weapons from becoming a partisan political issue in the elections of 1982 and 1984.

There is general agreement here that this elemental and emotional issue is not now, and should not be, a partisan question. But the temptation to exploit it for party or personal ends is very great.

Fortunately, there are two precedents in American history that might be helpful in guiding the parties in what is obviously an inevitable and necessary debate — one disastrous and the other hopeful.

At the end of the First World War, partisan and personal differences between President Woodrow Wilson and the leaders of the Senate ultimately led to the rejection of the League of Nations and the retreat of the United States into isolation. This in turn contributed to Hitler's conviction that with an isolated America and a divided Europe, he could win World War II.

At the end of the Second World War, Roosevelt and Truman decided to avoid this historic blunder by bringing the leaders of the Republican Party into the peace treaty negotiations and the formation of the United Nations.

An agreement was reached between the parties early in the postwar negotiations, to avoid the acrimonious divisions that crippled the League of Nations.

"Both Republican and Democratic leaders took a course," John Foster Dulles wrote later in "War or Peace," "which put the welfare of the nation and the world above what each, at the time, thought was a partisan advantage."

At first, President Roosevelt thought of this as merely an arrangement to "inform" the Republicans of his negotiations with Stalin and the Soviets. But ironically, it was Harry Truman, the most partisan of men, who decided to make a bipartisan partnership with the Republican opposition.

"This experience made clear to me," Dulles wrote, "that any bipartisan effort ought to give the opposition party an opportunity to share in the formulation and development of policy."

Like Roosevelt, who brought Stimson and Knox and other Republicans into his war Cabinet, Harry Truman put Senator Arthur Vandenberg of Michigan and Dulles on his negotiat-

ing delegations to the peace treaties and the formation of the United Nations.

"There have been sharp differences of opinion as to the wisdom of this practice of bipartisanship from the standpoint of the nation and also the standpoint of the Republican Party," Dulles concluded.

"As to its wisdom from the standpoint of the country," he added, "I have no doubts. It has, in my opinion, made an indispensable contribution at a critical period. In the area where there has been this kind of bipartisanship, the Administration has been able to proceed with confidence, knowing that policies which were threshed out with responsible Republican participation would be accepted by the Congress and by the nation."

"In that way we have avoided the spectacle of a nation sharply divided at a time when our own peace and safety and the safety of friendly peoples were dependent upon presenting a united and resolute front to potential enemies."

Obviously, these historical analogies are not precise, but they are comparable and relevant.

President Reagan could go Woodrow Wilson's way at Versailles, ignoring the Senate opposition he needs for any treaty on the control of nuclear weapons. He could go Harry Truman's way of bringing the opposition directly into the negotiation process.

Or he could do nothing more than express his desire for nuclear control and allow the issue to be dominated by the anti-nuclear demonstrations in the churches, the universities and the streets.

Maybe the worst choice he could make would be to do nothing. His Administration is at least partly responsible for the anti-nuclear protests in Europe and here at home — with its insistence on military budgets it can't afford and its casual talk about the possibilities of nuclear "demonstrations" and "limited nuclear war."

But lately President Reagan has been inviting talk with President Brezhnev and negotiations with the Soviets in order to control the arms race.

Much will depend, however, or so it seems here, on whether he invites, even insists, that the Democrats share in these negotiations or keeps them out and allows them to make a partisan election issue of what is clearly a national problem. If so, this could make things even worse than they really are.

FOREIGN AFFAIRS

Israel's Joyless Peace

By Flora Lewis

TEL AVIV, April 24 — The eve of Israel's second full withdrawal from Sinai, this time in peace with Egypt, is a moment of questions without answers. The simple, almost apologetic ceremonies scheduled Sunday are a symbol of the wary uncertainty.

For the Israelis, forcible evacuation and destruction of the Yamit settlement in northern Sinai has been a trauma. Not ashes, but desert sand to desert sand has been the ugly lesson. A great many, in the opposition as well as in Prime Minister Menachem Begin's Government, have bitterly sworn never again.

That bodes ill for the future of the West Bank and Gaza. There are a few optimists around the Middle East, but not many. Everyone tends to agree that attitudes in the area continue to change with time. The issue is which way they are going and who will move first.

Optimists, both in Egypt and Israel, say Arab leaders and eventually Palestinians will wake up soon and realize that only Egypt, by acceptance of peace and negotiations, has found the successful way to deal with the conflict. The drama of Yamit will fade and Egypt's real commitment will ease Israeli fears, while failure of Mr. Begin's version of limited autonomy for people but not for land on the West Bank will revive Jerusalem's interest in compromise.

This analysis also relies on changing Arab alignments and possible Iraqi rapprochement with Egypt to counter Syrian ambitions eastward. Syria alone could not block an effort to enlarge the settlement involving Jordan.

But most authorities feel time is going in the other direction. Israeli attitudes have definitely hardened. The Government is gambling that resentful Arabs in what Israelis have come to call "the territories," (instead of "the occupied territories," as Arabs say), will realize the failure of the P.L.O. to help them. The scheme is eventually to offer local self-government with a choice of citizenship in Israel or Jordan. One day, trans-Jordan would be seen as the Palestinian state, at the expense of Hashemite rule. The fact that this would assure much greater, more dangerous hostility on Israel's longest border is accepted by such people as Defense Minister Ariel

Sharon as preferable to any Arab sovereignty on the West Bank.

That is not fixed policy at this stage. It depends on lots of dangerous imponderables. The most immediate is the future of southern Lebanon and the tough decision facing the Palestine Liberation Organization. Israeli analysts don't see how the P.L.O. can go on indefinitely accepting the ceasefire, refusing to negotiate, and still claim allegiance among Palestinians.

The bet here is that the P.L.O. will start to shell northern Israeli settlements again. That would change Israeli opinion further.

Preparations have been completed for an invasion of southern Lebanon. Mr. Sharon and Foreign Minister Yitzhak Shamir have said publicly that the P.L.O. could be wiped out as a military force. The main reason Mr. Begin refused to endorse the operation appears to be that Israeli opinion would not have supported it, including risk of war with Syria.

The U.S. also gave clear and sharp warnings. But Washington would not necessarily be an effective deterrent if a majority of Israelis were aroused by renewed attacks. Senior Western diplomats rate the danger of another major war within a year or so as greater than at any time since 1973, and with a far higher level of armament on both sides.

Those are the shadows weighing on resumption of Egyptian-Israeli autonomy talks, cautiously expected in Washington later this spring. It is going to take a lot of U.S. handholding and prodding just to get them seriously launched.

Opposition leader Shimon Peres has a plan. Like almost all Israelis, he opposes an independent West Bank state. But he believes an autonomy compromise could be reached with Egypt, including the right for Jerusalem Arabs to vote as absentees. Then, he would seek to join with Egypt in getting Saudi support to implement the plan in Gaza. The third step would be a staged negotiation with Jordan, possibly with an interim joint Israeli-Jordanian trusteeship for the West Bank.

All this presumes waning P.L.O. influence. And few think Mr. Peres has a chance of winning power.

Nonetheless, there is no escaping the fact that dominant Israeli policy threatens the Jewish nature of the state even as it stresses historical and religious claims. There is no answer to how Israel can maintain its character — social and political as well as religious and ethnic — and absorb 1.3 million Arabs who are multiplying a good deal faster than the Jews.

That problem, even more than the need to compromise for peace, moves Israeli moderates. They say there is a swelling revulsion in the country against the indefinite burden of occupation and the prospect of a binational state. Ironically, that is the P.L.O. demand that its own strategy cannot achieve, and it would mean another Lebanon. Partial peace is joyless.

It's Time For Common Sense

"If this ain't a depression, it'll do till we get into one."

That's the common sense interpretation of today's rural economy offered by a midwestern farmer. And it's little wonder when you look at the facts.

From January through November of 1981, there were 2,334 farm foreclosures and 409 liquidations.

By contrast, in all of 1980, there were 133 farm foreclosures and 127 liquidations.

However you describe it, the rural economy is in sad shape. On top of that, rural people are also having to fight to preserve programs essential to their well-being.

Like rural electrification.

This program is vital to the rural economy and the entire nation.

Yet, for the second year in a row, the Administration is proposing drastic cuts in the program—even after Congress resoundingly rejected similar proposals last year.

The proposals still don't make sense and would compound inequities that already exist.

For example, rural electric consumers nationwide pay an average of 12 percent more for electricity than their urban neighbors. And the average

real cost of borrowing money is higher for rural electric systems than for any other kind of electric utility.

Providing electricity to rural America is neither cheap nor easy.

It takes nearly half the nation's poles and power lines strung across 70 percent of the land mass to serve 10 percent of the population, and on the average there are only four to five families for each mile of power line.

Common sense says look at the facts.

Today's loan money for America's rural electric systems does not come from taxpayers' dollars.

Cutting this program would not reduce the federal budget.

Cuts would only raise consumers' electric bills and spur inflation.

America's 1,000 consumer-owned rural electric systems have a commitment to provide reliable, affordable electric service for more than 25 million rural people... plus the million newcomers who move to the country each year.

Rural electrification is an ongoing success story that benefits all Americans.

It's time for facts, fairness—and common sense.



America's consumer-owned rural electric systems

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The New Writer Vs. Hollywood

The Literati Gripe About Crassness But Can't Resist The Rewards

By MICHIO KAKUTANI

"It was an art in which words were subordinate to images, where personality was worn down to the inevitable low gear of collaboration," wrote F. Scott Fitzgerald of screenplay-writing. And yet "as long past as 1930, I had a hunch that the talkies would make even the best-selling novelist as archaic as silent pictures. . . there was a ranking indignity, that to me had become almost an obsession, in seeing the power of the written word subordinated to another power, a more glittering, grosser power."

Nearly from the start, Hollywood and the literary community have shared a curious relationship—a relationship that is two parts hard-nosed business deal and one part coy flirtation. On one hand, novelists tend to be contemptuous of the cinema, dismissing it, in Fitzgerald's words, as a "communal art," "capable of reflecting only the tritest thought, the most obvious emotion." They complain about Hollywood's crassness, its glitter and the compromises it demands. And yet, the "serious" writers who have recited the allure of the money and the warm air and the whispered promise of popular acclaim are very few indeed.

Like Fitzgerald, such prominent novelists and playwrights as Thornton Wilder, John Steinbeck, Graham Greene, Somerset Maugham, P.G. Wodehouse, S.N. Behrman, Clifford Odets, S.J. Perelman, Dorothy Parker, James Agee, John Dos Passos, Christopher Isherwood and Bertolt Brecht have all tried their hand at writing screenplays. Faulkner, of course, worked on "To Have and Have Not" and "The Big Sleep." Raymond Chandler co-wrote "Double Indemnity" and "Strangers on a Train." James Agee helped write "The African Queen" and Aldous Huxley adapted "Jane Eyre" and "Pride and Prejudice."

Today a new generation of novelists and playwrights is writing for the movies. Unlike their predecessors, they are not the salaried employees of a studio, confined to an office, and given no creative input. They do



Playwright David Mamet, above, wrote the script for "The Verdict" with Charlotte Rampling and Paul Newman, opening next year.



Joan Didion and John Gregory Dunne did the screen adaptation of Mr. Dunne's "True Confessions," with Robert Duvall and Robert De Niro, at right.

not meet at the commissary or at Musso & Frank's restaurant for weekly gripe sessions. In fact, with the breakdown of the studio system, many of them do not even live in Hollywood, but work from their homes in New York or San Francisco or Montana.

Among the novelists currently writing for the screen is Thomas McGuane, who is adapting his latest book, "Nobody's Angel." John Gregory Dunne and Joan Didion, who recently won critical acclaim for their screenplay of "True Confessions," are adapting another one of Mr. Dunne's books—"Vegas." Leonard Michaels is working on an adaptation of his novel "The Men's Club," and Jerzy Kosinski is working on one of his, "Passion Play." John Sayles has written a new movie called "Baby, It's You," and Scott Spencer recently finished a draft of "Act of Vengeance," a screenplay based on the 1940s

murders, for the director Brian DePalma.

As for playwrights, many of the most talented have been devoting nearly as much time to Hollywood as to the stage. Harold Pinter has done screen adaptations of "The Last Tycoon" and "The French Lieutenant's Woman," as well as an unproduced adaptation of "Remembrance of Things Past." David Rabe adapted "I'm Dancin' as Fast as I Can," and Michael Weller, "Ragtime." John Guare, whose screenplay of "Atlantic City" was nominated for an Academy Award, has been working on a script called "Moon Over Miami" for the director Louis Malle; and Wallace Shawn has adapted the Wyndham Lewis novel "Mrs. Dukes' Million," with Deborah Eisenberg. Shooting of "The Verdict," written by David Mamet—who also wrote the remake of "The Postman Always Rings Twice"—was recently completed,

and Steve Tesich's adaptation of John Irving's "The World According to Garp" will be released this summer.

While the film industry has found it useful to employ such well-known authors, capitalizing on their skills if not their names, it has traditionally accorded its writers little respect. Far from being a glamorous figure, the screenwriter has been popularly regarded as something of a loser and a hack—someone like Fitzgerald's Post-Hobby or Joe Gillis in "Sunset Boulevard," who complains, "Audiences don't know anyone writes a picture. They think the actors make it up as they go along."

Certainly this attitude was reflected in the studios' treatment of their contract writers. During the 30's and 40's, they were assigned to work in tiny, claustrophobic cubicles known as "rabbit warrens." Many worked six days a week, from 10 in the morning to 6 at night, turning out a quota of work

Arts & Leisure

that could run as high, in Faulkner's case, as 35 pages a day. "All the writers sit in cells in a row," Nathaniel West wrote a friend back East, "and the minute a typewriter stops someone pokes his head in the door to see if you are thinking. Otherwise, it's like the hotel business."

The studio heads and producers were even more irreverent. "What's all this business of being a writer," Irving Thalberg asked. "It's just putting one word after another." To Jack Warner, writers were simply "schmucks with Underwoods" and to Joseph Mankiewicz, they were "the highest-paid secretaries in the world."

To read recent accounts, one might well think that this has all changed. Recent observers have argued that the screenwriter not only deserves critical recognition but has also achieved new power and status within the industry. In "The Craft of the Screenwriter," published last year, John Brady declares that the age of the movie star and the director are now past, that "the era of the screenwriter as superstar is at hand." "The screenwriter has come a long way in a half century on the job," he writes, "from anonymity to contract slave shops to periods of bullying and blacklisting to a new age of personal creativity and professional clout."

Writers, on their part, tend to disagree. To be sure, there are those screenwriters who have parlayed their experience into successful careers as directors—Paul Schrader, Robert Towne, Francis Coppola, to name a few—and so achieved a good measure of creative control. But for those who do not aspire to a permanent place in the industry—those novelists and playwrights who only moonlight as screenwriters, for instance—writing for the screen continues to pose the same frustrations it did for Fitzgerald's generation.

Here, if you don't want to be a director, it's like a captain who doesn't want to be a major," says Josh Greenfield, the author of "A Place for Noah," who is currently working on a screenplay for Mary Tyler Moore. "Things haven't changed—writers out here are still the bottom of the barrel. What people from the East don't realize is that the writer is nobody here because the writer is not up on the screen. What the writer does is he gets the ball moving. But no movie

can ever get done just because a script is good—you have to have something else. Get Clint Eastwood and then you have a movie."

For Thomas McGuane, however, the accusatory phrases—"gone Hollywood" and "sold out"—remain all too familiar. "I sort of like writing screenplays," he says, "and I've always bridled at the feeling that I'm doing something nasty. Seventy-five percent of the bad reviews I get intimate that I've injured my abilities by writing for the movies. I think it's nonsense. People who run screenplays down because they don't like the form is a little like saying, 'You make very beautiful chairs, but I can't take them seriously because all they do is hold peoples' butts up.'"

As far as Mr. McGuane is concerned, screenplay writing is simply another form of literature, writing such movies as "The Missouri Breaks" and "Rancho Deluxe" in no way "constrains the creativity of the artist." "It's like the good old days when there were men of letters and you wrote plays and essays and novels," he says, echoing the enthusiasm the late James Agee had for films. "That's what I do. There's a feeling one's better off writing or reading bad poetry than reading or writing good screenplays, but I think it's a very interesting form that's viable in the 20th century."

Other novelists have been considerably more skeptical about the form; many, in fact, have resented their script work, passing it off, in Aldous Huxley's words, as "tiresome work, but unavoidable, since books at the moment don't keep wolves very far from doors."

Most authors today readily acknowledge that one of the most compelling reasons to write for Hollywood is money. While script writers are not paid nearly as well as actors or directors, the financial rewards can still be great. These days, say practitioners, an established script writer can earn \$75,000 to \$125,000 for a first draft and a set of revisions—regardless of whether the movie is made or not. Above that, he may receive \$25,000 for each additional draft, plus another \$75,000 to \$100,000 on "go." A few may command much more—one screenwriter recently received \$450,000 for a rewrite—and in some cases may receive "points"—a percentage of the profits—in the movie as well.

Can New Zealand Rival Australia for Movie Honors?

By LAWRENCE VAN GELDER

"You must understand," says Roger Donaldson, the 36-year-old New Zealand filmmaker, "that in New Zealand there was no way you could go to any film school. There was no way you could learn about filmmaking. The only way to learn was to do it."

Mr. Donaldson has done it well. His latest film, "Smash Palace," has been chosen as the opening attraction in the prestigious annual New Directors/New Films series presented by the Museum of Modern Art and the Film Society of Lincoln Center. Like "Sleeping Dogs," Mr. Donaldson's previous movie, which dealt with revolution in New Zealand, "Smash Palace" has earned the director strong critical plaudits, and now linked him with Australia's Bruce Beresford, who made "Breaker Morant," and Peter Weir, the director of "Gallipoli," as another filmmaking wunderkind from Down Under.

Directed, written and produced by Mr. Donaldson, "Smash Palace" is an account of the breakup of a marriage of an automobile racer who runs a wrecking yard at an isolated New Zealand railroad crossing and his French-born wife—and of the consequences for their 8-year-old daughter.

For American audiences who are familiar with "Breaker Morant," which dealt with the Boer War, and "Gallipoli," about World War I, and who are perhaps prone to lump together all films from Down Under, Mr. Donaldson notes significant differences between life and filmmaking art in Australia and New Zealand.

Australian-born, he lit out for New Zealand as a rebellious, anti-Vietnam war college dropout in the mid-60's, telling himself he was going for a holiday.

"When I got there," he says, "I really fell in love with New Zealand. New Zealand is a much smaller country than Australia, and at that stage it was a much more friendly country. New Zealand has a large Polynesian community, which gives it a different quality from Australia. It's difficult to describe. When you go there, your initial impression of New Zealand is being less competitive, slow—the people more friendly, more genuine."

Be says, "New Zealand is a very isolated place and creatively you have to inspire yourself. That has advantages and disadvantages. The advantages are that you are not continually being distracted by other people's ideas and so your ideas can be more original.

The disadvantages are that you don't have the creative input that sparks off ideas."

Still, he says, "I value that isolation I've had. It's given me the opportunities to do things, think things and just discover things for myself, and in that discovering process I've learned a lot about what makes a film work. I approach my filmmaking from instinct. I don't rely on having seen it done somewhere else."

As for New Zealand's films, he says, "New Zealand films have tried to confront contemporary issues that Australian films have avoided. Until recently, successful Australian films have been period films. I think it's harder to make a contemporary movie than a period movie."

"I think people know what it's like to live right now. They're judging a contemporary movie on a totally different basis. They're relating it to life as they live it or know it."

But when it comes to marital discord—the subject of "Smash Palace"—as well as such current American films as "Shoot the Moon" and "Too Far to Go"—he says New Zealand and Australia are not so different from each other and from the United States.

"One of the things about 'Smash Palace' is that it's contemporary and means something in New Zealand. But it also travels. The idea travels—divorce, separation, victims of divorce, children. It's an idea that people in New York or São Paulo or Moscow will understand. They can relate it to their own lives."

Mr. Donaldson, who has three boys and a girl by a 12-year marriage begun shortly after arrival in New Zealand and ended by separation in 1977 and subsequent divorce, married again last year and has a 10-month-old boy by his second marriage.

Despite having been raised—like the child in "Smash Palace"—by a father who sold and bought and fixed cars, who drove a tow truck, who took him rabbit hunting and to car races and who masked his love; and despite having been raised by a mother who—like the mother in "Smash Palace"—was liberated and ambitious for her children; and despite having gone through the breakup of marriage, Mr. Donaldson sounds a caveat to those whose "Smash Palace":

"None of the characters or events are autobiographical." Nevertheless, he says, "I've obviously taken from my own childhood."

Mr. Donaldson was born Nov. 15, 1945 in Ballarat, Australia, about 80 miles west of Melbourne—"a small country town, really," he says, a place that had once been a gold mining community and then became a center of

sheep-raising and wheat-farming.

Within a short time of having moved to New Zealand and serving his photographic apprenticeship, Mr. Donaldson got married and set up in business for himself. His photography proved successful and evolved into the making of television commercials and eventually into documentary films and dramatic films of short stories that earned him considerable renown.

After making "Sleeping Dogs," he went to England in 1979 with Melvyn Clark, a teacher who is now his wife. He was thinking about making a movie to be called "Killer Curry," about two wrestlers.

"I thought if I could find some idyllic little cottage overlooking the sea, words of wisdom would come to my pen," he says. "Such was not the case. I finally had to admit, I guess, that I was in the midst of a real turmoil. I decided rather than try to persevere with the script I would have a holiday. And as soon as I decided that, the ideas came flooding in."

"Then I thought, 'Why not be cheeky and write a movie about a subject that you really know what you're talking about and have the courage to draw on your own experiences of life and give it a realism that only experience can bring to it?'"

The idea of a conflict over a child, played in "Smash Palace" by Greer Robson, was augmented by Mr. Donaldson's feelings about being an immigrant to New Zealand—a concept that informs the character of the French-born Jacqui Shaw. "To people who are used to a highly sophisticated way of living, things are quite different. It's isolated. It's culturally different."

Filming on "Smash Palace" began February 2, 1981 and was finished in time for the movie to be shown out of competition last May in Cannes, where it attracted critical admirers and distributors. When it opened in Australia at the beginning of this year, Mr. Donaldson says, "They went through the roof. The first week in Auckland, it nearly broke the house record, which had been held by 'Star Wars.'"

Now, like other highly regarded new directors from Down Under, Mr. Donaldson is being tempted with American projects.

"I've spent a lot of time in America," he says, referring to some of his documentary films. "It's a very exciting place. You can't deny that. There's a major difference between filmmaking here and in New Zealand. Where we do it, it is a luxury. Here it is a business. And it's nice to do some business sometimes, and it's nice to have some luxury."



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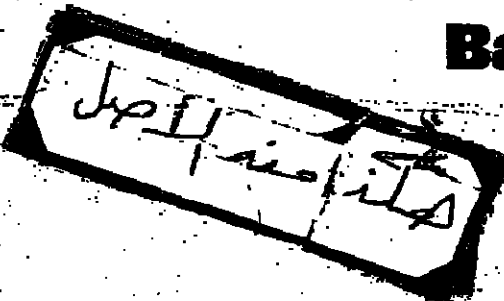
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German officer — and gentleman

By ERNIE MEYER/Jerusalem Post Reporter



Avenue of the Righteous Gentiles...adding another tree today.

A STRANGE THING happened on the morning of July 26, 1942, at the bridge over the River San, which flows through the middle of the town of Przemysl in the south of Poland. A detachment of SS and police wanted to cross to the side where the ghetto was located, and to round up Jews for deportation to the Belzec extermination camp.

But the sergeant-major in charge of a Wehrmacht detail at the bridge refused to let them across. He said that as of that Sunday, the army had declared a state of emergency in Przemysl and that no one could set foot on the bridge without the permission of the town's commander, Major Liedke, or his deputy, First Lieutenant Battel.

Polish civilians and even some Jews on the way to their work detail were amazed to see that in the ensuing altercation, the sergeant-major brandished his revolver and threatened to order his men to open fire unless the SS man retreated. They did.

What caused this confrontation between the Wehrmacht and the SS, with the army ready to shoot to protect Jews from being taken to their death at a time when the extermination of the Jews was in high gear?

The answer is to be found in the person of Oberleutnant Dr. Alfred Battel, a 51-year-old reserve officer and lawyer from Breslau. For Battel, who had been awarded the Iron Cross 1st class in World War I, was known to many as a *Judenfreund*, a friend and protector of the Jews.

BATTEL HAD HEARD of the SS plans to send most of the ghetto population to a death camp. Only one day before the bridge encounter he had used army trucks to take Jewish workers and their families — 80 to 100 people — out of the ghetto to the other side of the

river and house them under direct Wehrmacht supervision.

In later arguments with the SS, there would be snide remarks about "the Wehrmacht protecting Jews so that they could polish the boots and clean the quarters of its sergeants."

Now he had persuaded his superior, Major Liedke, to declare the state of emergency, which would allow him to control all movement in the town. Although the Jewish population was normally under the jurisdiction of the SS, the army could assert itself under certain conditions.

It was not long, however, before the men in black uniforms regained the upper hand. By the early afternoon of that Sunday, high SS officers had come to meet the local army brass and in a relatively low-key argument, during which threats were well veiled, had induced them to open the bridge. The deportation of 3,850 men, women and children — the majority of the ghetto population at that time — proceeded smoothly the following day. The official report brazenly says, in the SS jargon current at that time, that "several of the Jews who tried to escape or resist were shot... In realization of the requirements of the task, our men in all instances acted with flinty determination."

Two months earlier, Battel had already tried — unsuccessfully — to prevent the deportation of 1,000 Jews who worked for the Wehrmacht. Although there had been complaints against him, no official action was taken by the SS, "in order to preserve good relations with the army."

IN THE LONG RUN, of course,

Albert Battel could not keep even the small number of Jews who continued working for the Wehrmacht in Przemysl out of the hands of the SS. No action was taken against him immediately, apart from a mild reprimand from his commanding officer. In fact, only three weeks after the bridge incident, he was promoted to captain.

But behind the scenes and without his knowledge, the SS had

started an investigation which produced 40 pages of testimony against him.

The matter reached the highest level of the SS hierarchy. In October, SS chief Heinrich Himmler himself wrote a letter to Martin Bormann, the head of the Reich chancellery and one of the most powerful men in Germany, saying that "right after the war Battel should be arrested."

MEANWHILE, Battel's superiors could no longer protect him and he was transferred to the Eastern front. Before he came to any harm there, however, he was discharged from the army in 1944, because of heart disease. He returned to his law practice in Breslau, only to be drafted into the Volksturm (People's Last Reserve) in the final days of the war and to be taken prisoner by the Russians.

Released from captivity in 1946, Albert Battel went to West Germany and sought to re-establish himself as a lawyer. Ironically, it was not the SS which punished him "right after the end of the war," but the Americans. Seeking denazification, fellow lawyers brought up the fact that he had been a member of the Nazi Party since 1933 and thus prevented his readmission to the bar.

Battel took a job as manager of a small glass-works in Hessa. He had not mentioned his action on behalf of Jews in Przemysl before the denazification officials. His wife only learned about it long after the war. Battel died in 1952 at the age of 61.

without any recognition for his courageous deed.

AS FAR AS Israel is concerned, this is being corrected today, when a tree in honour of Albert Battel will be planted in Yad Vashem's Avenue of the Righteous Gentiles. The captain's only child, his son Peter, now 40, was to have attended the ceremony, but he had to cancel his trip at the last moment in order to undergo surgery.

Today's belated recognition here of Albert Battel's common decency toward Jews and his willingness to risk punishment and even death for his attitude is largely due to the efforts of one man, Dr. Ze'ev Goshen. In 1963, eleven years after Battel's death, his action was incidentally mentioned in a German court case against an SS officer involved in the Przemysl deportations. It was also mentioned in some German papers. In this country his name was first mentioned in testimony before a Tel Aviv court in 1968.

But it was Goshen's tenacious, five-year labours starting in 1977, which led up to today's ceremony. Lawyer Goshen, a native of Machrich-Ostrau, in Silesia, was deported by the Germans to Poland. He managed to get on a boat to Eretz Yisrael, only to be intercepted by the British and spent the next four and a half years in internment on Mauritius. Reaching this country in 1945, he was one of the founders of Kibbutz Neot Mordechai in Galilee, which he left 20 years later to become a Latin instructor at Haifa University and to teach history in high school.

IN 1977, while doing research on Adolf Eichmann, he came upon the story of Alfred Battel. He wrote for more information to the Ludwigsburg Central Office of Justice, in West Germany, and was told that the 40 pages of testimony collected against Battel in the summer of 1942 had been found in SS archives.

In painstaking work, Dr. Goshen pieced together the story of fellow-lawyer Dr. Battel, which resulted in a lengthy historical document, which he has read before German audiences.

Goshen deals at length with the question of what motivated Battel. An important factor, he told *The Jerusalem Post*, is no doubt his Jewish brother-in-law Eduard Heims. In 1933, Battel helped his

brother and sister-in-law with their emigration and subsequently even visited them abroad to settle financial matters. In 1947, Heims testified from the U.S. that Battel had "always acted out of friendship and fairness of mind."

In 1936, Battel was fined in a party disciplinary court for having extended a loan to a Jewish lawyer, which he then allowed the man to pay off by working in his office. Later, during the days in Przemysl, a reprimand was entered into his military papers, because "during negotiations with the leader of the Judenrat (Council of Jewish Elders) he had cordially shaken the hand of the man, a Dr. Duldig."

Survivors of the ghetto remember rumours that Battel and Duldig had been fellow law students.

The question remains, why the SS, not known for squeamishness in eliminating opponents, allowed Battel to survive? Part of the answer may be that Himmler decided against a disciplinary hearing, which inevitably would have highlighted the extermination of the Jews. But basically, Goshen says, there is no explanation for the fact.

Goshen's efforts to gain recognition for Battel hit one final snag. The regulations of Yad Vashem require that at least one Jewish eyewitness testify to the actions of a Righteous Gentile. Such a witness was finally found in the person of Jewish Agency official Michael Gild-Goldman.

"I remember well hearing about the clash between the Wehrmacht and the SS on the bridge," former Przemysl ghetto inmate and Auschwitz survivor Gild-Goldman told *The Post*. "The day was my 16th birthday, and although I never saw Oberleutnant Battel, we Jews knew that we had a protector in him. A few of the people he took out of the ghetto survived the war and are in Israel now."

The tree at Yad Vashem in honour of Albert Battel will be planted today by Dr. Goshen and a friend of Battel's son, Juergen Diebbaecker, a staff member of the *Reinische Post*, which has written about the case. West German Ambassador Niels Hansen will attend. The Yad Vashem medal will be handed to Battel junior at a later ceremony in Germany.

Albert Battel's is one of the very few documented cases of a German officer opposing the SS on behalf of the Jews — and surviving. It proves that such action could be taken, and that despite the great risks, it did not inevitably lead to imprisonment or death.

READERS' LETTERS

To the Editor of *The Jerusalem Post*: Sir, — I wish to thank you for Ernie Meyer's article of March 12, which I read with much interest.

The article, which details the life of my late husband, Capt. Koreschke Inuzuka of the Imperial Japanese Navy and reports on the address delivered by the late Moshe Yuval at Yad Vashem, provides relevant information that can go into the summary chapter of the memoir I am writing.

However, I wish to state that I did not turn over the cigarette case to "whitewash" Capt. Inuzuka's past. I agreed to part with it only because Rabbi Tokayer insisted that it be kept in Israel. I personally, I must say, much wanted to keep it as a memento of my late husband.

The reference to Capt. Inuzuka having allegedly written anti-Jewish books requires explanation. To be sure, Kiyo Utsumiya mentioned in the article was his *nom de guerre*. But actually, I ghost-wrote the book, except for the preface and the open proposal at the end of the volume. The bulk of the contents of the book was to urge the Jewish people to "correct their distorted view of the Japanese people, a fel-

CAPTAIN INUZUKA

low Asian nation, and build together a new world in Asia, in which we can coexist and prosper." This was the basic policy of Japan toward the Jewish people, which Capt. Inuzuka enunciated before being assigned to Shanghai.

As Dr. Abraham Altman, who is a specialist in Japanese history, must be well aware, there was a strong Nazi influence in the Japan of the 1930s and those (mostly Christians) who openly sympathized with Jews were imprisoned during the war.

Under these circumstances, persons like Capt. Inuzuka found it necessary to agree with the Nazi theory of Jews to some degree in order to formulate and implement

an independent Jewish policy. Without such a camouflage, it was impossible to hope for the ultimate realization of the ideal.

This is the reason why such other persons whom the Jews today regard as their benefactors — Dr. Setsuzo Kotsuji and Colonel Senko Yasue (of the Japanese Army) — were writing seemingly anti-Semitic articles under the pseudonyms, respectively of Asahina and Hokoshi.

In 1938, Capt. Inuzuka was told by the personnel bureau of the Ministry of the Navy that, if he wanted to be promoted to rear admiral, he must become a sea officer instead of being involved with Jews. But he was determined to devote himself to the Jewish problems when large numbers of Jewish refugees were flocking to Shanghai. He declined the offer of promotion and asked to be placed in the reserve service. Thus, in 1939, he was assigned to the naval bureau and the consulate of Japan in Shanghai as a reserve officer to continue to handle all Jewish affairs.

Prior to this assignment, in December 1938, Capt. Inuzuka, in cooperation with Col. Yasue, was

successful in having a conference of five members of the cabinet (the prime minister and the ministers of the army, navy, foreign affairs, and finance) adopt a basic Jewish policy. It was to "reject discrimination of Jews and deal with them as third nationals."

Capt. Inuzuka's relations with Jews in Shanghai were very good. But since about 1940, the pro-Nazi Japanese in Japan, who realized that he was not really anti-Jewish, began obstructing his operations and spreading malicious rumours against him. As a result, he was transferred, unwillingly, to the front in the South Pacific. I intend to bring to light details of these developments with documentary evidence in my forthcoming book.

KIYOKO INUZUKA

Tokyo.

SINAI WITHDRAWAL

To the Editor of *The Jerusalem Post*: Sir, — Not give back the Sinai? Not fulfill our end of a bargain? In what way could this be serving the end of peace?

Can it be that these young Israelis who object to the withdrawal do not remember the agonies of war? Every time I hear one of them speak, it is always a very young Israeli who is too young to remember even the 1973 war, or an old rabbi who was not directly involved with the fighting effort.

BOBBY TOLCHIN

Scarsdale, N.Y.

INTERVIEW WITH EGYPTIAN AMBASSADOR

In my interview with Egyptian Ambassador Sa'ad Mortada (April 23), the opening question and answer sequence was a direct, accurate and consecutive transcription from the recorded interview.

However, by ending the quotation where I did, I may have done Mr. Mortada a disservice by not reproducing in that context his belief (quoted later in the interview) that, given Israel's assurances, annexation of the West Bank is not a likely occurrence. David Bernstein

IT IS WRITTEN

"The burden of the Word of the Lord for Israel, saith the Lord, which stretcheth forth the heavens, and layeth the foundation of the earth, and formeth the spirit of man within him."

"And in that day will I make Jerusalem a burdensome stone for all people: all that burden themselves with it shall be cut in pieces, though all the people of the earth be gathered together against it."

— THE ALMIGHTY

(Zech. 12:1,3 — Read in the light of Gen. 12:1-3, Isa. 42:6, John 4:22.)

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OIL EXPLORATION OF PAZ LIMITED NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to Members or Shareholders that the Fourth Annual General Meeting of the Company will take place on Sunday, May 23, 1982, at 12 noon, at the offices of the Company, 3 Jaffa Road, Tel Aviv.

Agenda:

- (1) Report of the Directors.
- (2) Approval of the Financial Statements and Report of the Auditors, to 31st December 1979.
- (3) Allocation of Profits.
- (4) Appointment of Auditors and fixing their remuneration.
- (5) Miscellaneous.

Attention is drawn to Article 68 of the Articles of Association of the Company according to which, if, within half an hour from the time appointed for a General Meeting, a quorum is not present, the meeting shall stand adjourned to the same day the next week at the same time and place, and if, at such adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

If it is necessary to hold an adjourned meeting it will, therefore, take place on Sunday, May 30, 1982, not later than 12.30 p.m.

In accordance with the Company's Articles of Association, a member is entitled to attend and vote at the meeting personally or by proxy. In order to be valid, a proxy must be duly completed and deposited at the Company's registered office not less than 48 hours before the meeting. Proxy forms may be obtained at the Company's registered office.

S. BAR-LEVAV
Secretary

Energy control devices save \$250,000

A computerized energy control device to save fuel and electricity in large buildings was installed recently in the Clal Centre in Jerusalem. The device cost \$140,000 and is expected to pay for itself in about 20 months.

The device, manufactured by Motorola-Israel, regulates the operation of lighting, heating and air conditioning systems according to a computer programme that "knows" when savings can be made by adjusting the systems or turning them on or off.

Similar devices manufactured by other firms have been installed in hotels, kibbutzim and industrial plants, where in some cases the savings in energy consumption have reached 20 per cent, according to the Energy Ministry.

The ministry provides grants to encourage the installation of such devices. Of the \$14 million invested in these systems, \$175,000 is in ministry grants. The annual savings achieved is estimated by the ministry at 3.5m. kilowatt hours of electricity, or about \$250,000.

DEMOLISHED. — Two brothers were arrested and released on bail yesterday for resisting city workers who came to demolish their illegally built storeroom in Jaffa. The brothers claimed it had been standing for 27 years.

CHILLING. — Burglars broke into the X-ray department of a Herzliya Kupat Holim clinic on Friday night and made off with three air conditioners, worth \$160,000.



Baron Edmond de Rothschild medallion

Jerusalem Post Reporter
The Israel Government Coins and Medals Corporation will introduce a new custom this year by presenting to each of the 12 persons lighting a beacon at the Mount Herzl ceremony one of its 34th Independence Day medallions.

The presentation will take place on the evening of Independence Day at the office of Knesset Speaker Menahem Savidor, in the

presence of corporation director-general Eliezer Shiloni.

This year's Independence Day medallion is devoted to Baron Edmond de Rothschild, marking the 100th anniversary of the beginning of his efforts on behalf of Jewish settlement in Eretz Yisrael.

Lighting this year's beacons are members of 12 settlements, from Rosh Pina to Mitzpe Tzurit.

Air pollution now sole charge of Interior

Responsibility for the enforcement of the Kanovitz Law against air pollution will be transferred from the Health Ministry to the Interior Ministry.

Health Minister Eliezer Shostak said at yesterday's cabinet meeting

that in view of persistent complaints from the public about the poor enforcement of the law, which he attributed to the divided responsibility between the two ministries, he decided to let the Interior Ministry be in sole charge.

Haifa mayor plans to clear pedlars out

HAIFA. — Haifa's many pedlars who are part of the downtown street scene may soon be a memory. Mayor Arie Gurel told the Merchants Association last week he intends to remove them from the

streets. Unauthorized street vendors attract a large number of customers from shops, especially in the food snack.

HERZLIYA MUNICIPALITY
announces:
The Herzliya beaches will be open to the public from Wednesday, April 28, 1982, Independence Day.
Until then, bathing is forbidden on all these beaches!!!
Bathing at the beach for the disabled is STRICTLY FORBIDDEN!!
Because of a fault in the sewage system, bathing is forbidden at the beach for the disabled until authorised by the Ministry of Health.
Special notification to this effect will be made in due course.

Discount Investments profit IS221.8m.

By **JOSEPH MORGENSTERN**
Post Financial Reporter

TEL AVIV. — The Discount Investment Corporation (D.I.C.), which over the years has specialized in investments in industry and high-technology enterprises, reports an all-time record profit of IS221.8m. for 1981, 3.4 times the IS65.3m. earned in 1980.

Total assets of the company now are IS9.5 billion, compared to IS4.4b. at the end of 1980. There was also a notable rise in exports by industrial enterprises affiliated to D.I.C. These reached \$175 million last year, compared to \$138m. in 1980 — an increase of 27 per cent.

"It was a year for sorting out our investment portfolios and bolstering worthwhile efforts," stated Dan Tolkowsky, managing director of the corporation. In the course of the year D.I.C. acquired the Israel Corporation's holdings in the Electric Wire and Cable Company, while

E.W.C. in turn acquired Datic Ltd., a telecommunications cable plant owned by Tadiran. As a result D.I.C. and Tadiran equally own 76 per cent of the Electric Wire and Cable Company. "For E.W.C. it marks a turning point, as the coast is now clear for the company to embark on a major equipment redeployment. What we are doing at E.W.C. is exactly in keeping with my thoughts about Israeli industry needing to have up-to-date equipment," Tolkowsky said.

The liberal allocation for the winding up of the business of the Albar company was reflected in the

profit and loss statement by a gain of IS11.4m., which represented the cancellation of differentials which were taken for Albar.

The corporation's investments in high-technology firms in which it pioneered in the early 1960s have come to fruition now. Of the net current profit more than 20 per cent was derived from its four high-technology affiliates — Elron, Elscint, Scitex and Elbit.

During the course of the year a cash dividend of 18 per cent was paid and in February of 1982 a distribution of 75 in bonus shares was made.

Tourism committee to examine hotel ratings

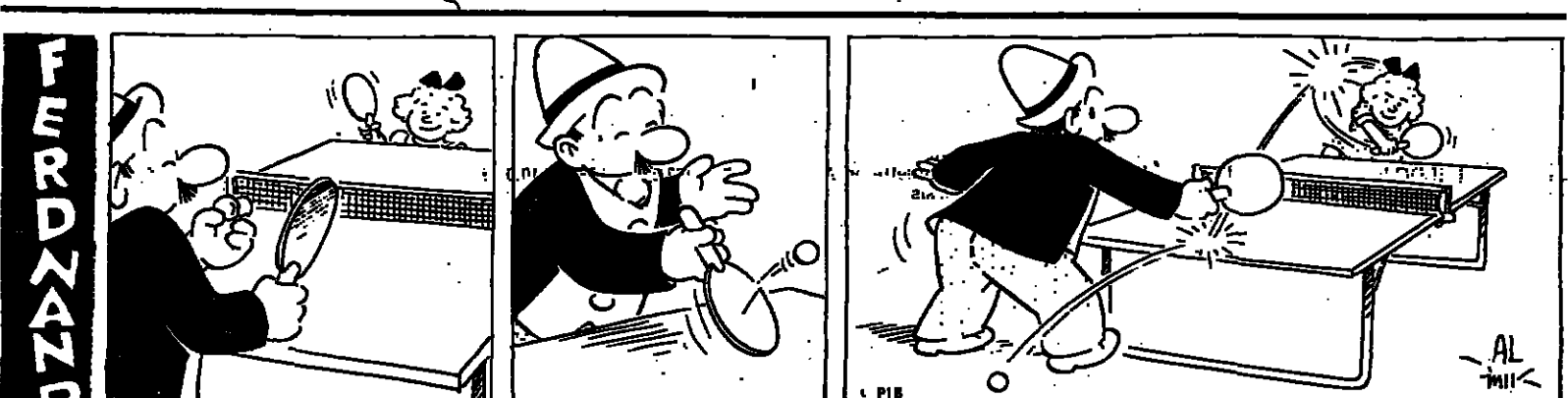
Jerusalem Post Reporter
Tourism Minister Avraham Shariar has appointed a committee to examine the ranking of hotels in the country and to recommend ways to improve service and the image of

the industry at home and abroad. The committee, which is to submit its report in six weeks, is chaired by Shariar's adviser Uri Stock, and includes ministry personnel, hoteliers and travel agents.

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WHAT'S ON

Notices in this feature are charged at \$62.70 per line including VAT; insertion every day costs \$13.09/mo including VAT per month. Copy accepted at offices of The Jerusalem Post and all recognized advertising agents.

Jerusalem
MUSEUMS
Israel Museum, Exhibitions: Permanent Collection of Judaica, Art and Archaeology; A Glimpse into the Past. Temporary Collection (objects from the Ancient Near East); Trends in Art After 1945, including non-geometric abstraction and pop; Reality/Illusion, children's exhibition dealing with visual illusions in culture and art; Towers of Spies, tower shaped tradition in Hava's speech; Bill Brandt, Photographs 1930-1980; Oil Lamps Section, new items from Loui and Carmel Warsaw Collection; Metaphors and Allegories, Superstudio Firenze; Art for Humour's Sake, humour in contemporary art; Special Exhibit: Treasures of Silver Coins from Mamluk; Special Exhibit: Toys and Games of the Ancient World (Rockefeller); Special Exhibit: Hebrew Ostraca from the Festival of Kadesh Barnea; Special Exhibit: Colour (Paley Centre, next to Rockefeller Museum); Special Exhibit: Adornment of a Jewish Bride, in tradition of Herat, Afghanistan; Special Exhibit: Selection of Drawings and Prints.
Visiting Hours: Main Museum 10-5, At 11: Guided tour in English, 3.30. Special guided tour: Archaeology galleries (in English).
Hebrew University
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9 and 28.
2. Mount Scopus tours 11 a.m. from the Breifman Reception Centre, Sherman Building, Buses 9 and 28 to last stop. Further details: Tel. 02-882819.

HADASSAH — Guided tour of all installations • Hourly tours of Chagall Windows at Kraya Hadassah, Nominal charge. • Hourly tours at Hadassah Mt. Scopus. • Information, reservations: 02-416333, 02-426271.
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2. Mount Scopus tours 11 a.m. from the Breifman Reception Centre, Sherman Building, Buses 9 and 28 to last stop. Further details: Tel. 02-882819.

Rehovot
The Weizmann Institute. Open to public from 8.00 a.m. to 3.30 p.m. Visitors invited to see audio-visual programme on Institute's research activities, shown regularly at 11.00 a.m. and 3.15 p.m. Friday 11.00 a.m. only. Tours of the Weizmann House every half hour from 10.00 a.m. to 3.30 p.m. Sunday to Thursday. Nominal fee for admission to Weizmann House. No visits on Saturdays and holidays.

GENERAL ASSISTANCE

EMERGENCY PHARMACIES
Jerusalem: Kupat Holim Clalit, Romema, 522191, Beitman, Salah Edin, 272314, Shu'fat, Shu'fat Road, 10108, Dar Eldava, Herod's Gate, 282058.
Tel Aviv: Yaffi, 67 Yehuda Halevi, 612474, Sela Dov, 3 Hammer, Tachla Lamed, Netanya: Trufit, 2 Herzl, 28656.

DUTY HOSPITALS
Jerusalem: Bikur Holim (pediatrics), Hadassah E.K. (internal, surgery, orthopedics, ENT), Misgav Ladach (obstetrics), Shaare Zedek (ophthalmology).
Tel Aviv: Rokeah (pediatrics), Ichilov (internal, surgery).
Netanya: Laniado (obstetrics, internal, pediatrics, gynecology).
Migav Ladach: Open line 4-6 p.m. every Monday answers to obstetrics, gynecology, sterility and family planning problems. Tel. 02-633356.

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FIRST AID
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Phone numbers: Jerusalem, Tel Aviv, Haifa — 101. Dan Region, Ramat Gan, Bnei Brak, Givatayim, Kiryat Ono — 781111.
Arad 97222, Nabariya 923333, Ashdod 41332/3, Nazareth 73333, Ashkelon 23333, Netanya 23333, Bat Yam 885555, Petah Tikva 912333, Beer Sheva 78333, Rehovot 51333, Dimona 50009, Rishon LeZion 942333, El Gedi 56009, Hadera 22333, Holon 80133, Kiryat Shmona 44333.
"Ema" — Mental Health First Aid, Tel.: Jerusalem 669911, Tel Aviv 253111, Haifa 558-888, Beer Sheva 32111, Netanya 35316.
Rape Crisis Centre (24 hours), for help call 03-24819, Tel. 04-94791 Haifa.

POLICE
Dial 100 in most parts of the country, in Tiberias dial 92444, Kiryat Shmona 4044.

DRIVE CAREFULLY

TWO-IN-ONE CROSSWORD

CRYPTIC PUZZLE
ACROSS
1 Girl and boy book (6)
2 Is the quiet one novel? (8)
3 A sleep on the house? (4)
4 Earth for a plant out East? (6)
5 Horse than can tell the time? (6)
6 It's paid with some feeling (3)
7 Speed crazy? (5)
8 Finds what the drinks add up to? (4)
9 Possibly claps on the head (5)
10 She takes me out for fresh air (5)
11 In a weird way, not so narrow (5)
12 Officer about to get extra (4)
13 Article included by Stan for old Nick (5)
14 Keep right out of the barn! (3)
15 A tool to tear with? (6)
16 Like a sleeve party of rag? (6)
17 Too nervous to be hearty (4)
18 Trousers Anne appears in (8)
19 High time! (6)

EASY PUZZLE
ACROSS
1 Exotic bird (6)
2 Pests (4)
3 Say again (6)
4 One not an expert (6)
5 Be mistaken (3)
6 Irritable (5)
7 Finished (4)
8 Crowd disorders (5)
9 Rare creature (5)
10 Flavour (5)
11 Sunbaths (4)
12 Set of links (5)
13 Public vehicle (3)
14 Wait upon (6)
15 Give a lift to (4, 2)
16 Writing fluids (4)
17 Testimony (8)
18 Meat pin (6)

DOWN
1 Coupled (6)
2 Esteem highly (6)
3 Legal wrong (4)
4 Race-meeting for boats (7)
5 Movies (5)
6 Torture (5)
7 Overt (4)
8 Head of corn (3)
9 Affirmative reply (3)
10 Particles of matter (5)
11 Volumes of liquid (5)
12 Shoules (5)
13 Ethiopian prince (3)
14 Poem (3)
15 Basket (7)
16 Blind (3)
17 Belt fastener (6)
18 Enquiries (4)
19 Smoked herring (6)
20 Frolic (5)
21 Room under the roof (5)
22 Waste receptacle (3)
23 Baked dishes (4)

Solutions to today's puzzle tomorrow

ENTERTAINMENT

TELEVISION
EDUCATIONAL:
9.15 Citizenship 7-9 8.35 English 6 9.00 Language and Culture 9.05 9.25 Science 5-6 10.10 English 7 10.30 Programme for Kindergarten 11.00 Math/Geometry 6 11.15 English 5 11.35 Geography 7-9 12.05 English 8 13.05 High School Science 13.00 Ma Pitom: English 5-6; Citizenship (repeats) 16.00 Pinocchio 16.25 Eight Years and a Day — the story of Karen Kayemet 17.00 Spoken Arabic (repeats)
CHILDREN'S PROGRAMMES:
17.30 My Father — children's stories of their fathers who died fighting for Israel 18.10 Family, friends and commanders tell of those who died for the country
ARABIC-LANGUAGE PROGRAMMES:
18.30 News Roundup
18.32 Sport
19.27 Programme Trailer
19.30 News
HEBREW PROGRAMMES resume at 20.00 with a live broadcast from the Western Wall of the opening ceremony of Remembrance Day
20.15 Songs for Remembrance Day
20.50 Beauty Spot — sights in Israel
21.00 Mabat Newswire
21.30 Ammunition Hill — Story of the

Quartet in G Minor (Rubinstein, Guarneri)
10.05 (stereo): Homeland in Music (no details available)
11.00 Sephardi songs
11.15 Elementary School Broadcasts
11.30 Education for All
12.05 (stereo): Midday Music (no details available)
13.00 (stereo): Waldteufel: Herminie-Suzyette; Moliere: Movement from Symphonie No.3 (James Levine); Bieber: The Battle; Germaine: Cuban Overture; Tchaikovsky: Flute Trio; Ma'ayan: Qumran (Shallon)
14.10 Children's programmes
15.30 World of Science (repeats)
15.55 News on a New Book
16.05 (stereo): Classical Music (no details available)
16.45 Music Magazine
17.35 Programmes for Olim
20.05 Solomons songs
20.55 Message by Dr. Yitzhak Arad, director of Yad Vashem
21.05 (stereo): The Jerusalem Symphony Orchestra (no details available)
23.00 (stereo): Special programme in memory of composers who fell in the War of Independence
00.10 (stereo): Choral Music (no details available)

Second Programme
6.12 Gymnastics
6.22 Agricultural Broadcasts
6.40 Editorial Review
6.54 Green Light — drivers' corner
7.00 This Morning — news magazine
8.10 All Shades of the Network
12.05 Road Safety Corner
12.30 Law and Justice Magazine
13.00 Midday — music, news commentary
14.10 in a Minor Tone — with Elud Menon
16.10 From Here to There — immigration matters
17.10 Health and Medicine Magazine
18.07 Of Men and Figures — economics magazine
18.47 Bible Reading — Psalms 29
19.00 Today — people and events in the news
Radio 2nd Jotam Radio 1st for the eve of Remembrance Day
21.05 Prayers
22.05 Heroes remembered through songs
00.10 Readings for Remembrance Day

Army Radio
6.10 Morning Songs
7.07 "707" — Alex Ansky reviews the morning papers
8.05 IDF Morning Newswire
9.05 Right Now — with Kobi Meidan
11.05 Golden Oldies
12.05 Israeli Sport — with Eli Yarnali
14.05 Two Hours — afternoon magazine with Shlomo Bar-Shavit

16.05 Four in the Afternoon — Hebrew songs
16.55 100 Alibi Series — 1980
17.05 IDF Evening Newswire
18.05 Israeli songs
20.05 Opening Ceremony for Remembrance Day
21.00 Mabat Newswire
22.05 Mishmar Hayarden — a settlement under siege (repeats)
23.05 Golden Oldies

NEWS BULLETINS
Army Radio: Every hour on the hour.
First Programme: Every two hours, from 7 a.m. to midnight, 6 p.m. broadcast in easy Hebrew. Second Programme: 6.05 a.m., every hour on the hour until 11 a.m. Third Programme: Hourly, from 6 a.m. to midnight.

CINEMAS
Cinema will be closed tonight due to Yom HaZikaron. Following films with appropriate changes, will be shown tomorrow.

JERUSALEM 4, 7, 9
Eldar: Bullied by Three Professionals; Eldar: Gosh with the Wind 4; Eldar: On Golden Pond 4, 6.45, 9; Eldar: Mophim 6.45, 9; Orly: Repeat Dive; Orly: Who Finds a Friend Finds a

TEL AVIV 4.30, 7.15, 9.30
Allesby: Silver Streak; Mash, both 7.15; Ben-Yehuda: On Golden Pond; Chai It Rosh 4.30, 8.15; Chai: Whose Life Is It Anyway? 4.30, 7.15, 9.30; Chai: First Monday in October 4.30, 7.15, 9.30; Chai: Atlantic City, U.S.A. 10.30, 1.30, 4.25, 7.25; Chai: The Man Who Came to Take; Chai: Two; Mephisto; Delicat: Charities of Fire 7.15, 9.30; Drive-In: Spiderman 7.15; Le Professeur; Glat: Peter Pan 2.30, 4.30, 6.30, 8.30; Gordon: Padre Padrone 7.15, 9.30; Eldar: Who Finds a Friend Finds a Treasure; Lerner: Rollover; Marmar: Water Babies 11.45; Marmar: Mad Max; Orly: The Tree of Wooden Clogs 5.20, 8.45; Pariz: Naat at Seventeen 10.12, 2.4, 7.15, 9.30; Pariz: L'Amour En Question; Shafit: Arthur 4.30, 7.30; Shafit: French Lieutenant's Woman 4.30, 7.30; Shafit: Gosh with the Wind 4.30, 7.30; Tel Aviv: Wholly Moses; Tel Aviv: Marmar: Thousand Little Kisses; Zafar: Repeat Dive; Tamm: Long Holiday of 36 (Eng. subtitles) 4.30, 7.15, 9.30

HAIFA 4, 6.45, 9
Amphitheatre: Who Finds a Friend Finds a Treasure; Armon: Atlantic City, U.S.A.; Armon: Escape to Victory; Chai: Professional; Galor: Marmar 10, 2, 6; The Iron Arm 12, 4, 8; Keren Or: Rollover 4, 7, 9; Morik: Arthur 6.45, 9; Oran: On Golden Pond; Oran: "10"; Oran: Orly: Naat at Seventeen 6.45, 9; Puer: French Lieutenant's Woman; Rose: The Man Who Came to Take; Shafit: Repeat Dive 6.45, 9; Haifa: Chai: Marmar: Dream of Passion 9.30

RAMAT GAN
Armon: Straw Dogs 7.15, 9.30; Peter Pan 4; Lory: True Confession 7, 9.30; Castel: Gosh with the Wind 4, 8; Oran: The Man Who Came to Take 4, 7.15, 9.30; Ramat Gan: Who Finds a Friend Finds a Treasure 7.15, 9.30

NETANYA
Nether Night Games 4.30, 7, 9.15

RAMAT HASHARON
Star: Lea Sous Douce 4, 7.15; Coal Miner's Daughter

HOD HASHARON
Bank: Little Lord Fauntleroy 4; Rose 9.15

Ari Rath
Editor and
Managing DirectorTHE JERUSALEM
POSTErwin Frenkel
Editor

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Iyar 3, 5742 • Rajab 1, 1402

The tests of peace

AFTER nearly 15 years under Israel's rule, Sinai has now reverted fully to Egyptian sovereignty. The payoff is, of course, the peace — described last night by Egypt's President Mubarak as "forever" — complete with a full, normal relationship between the two countries, which has been Israel's dream since its establishment as a state. By and large, it seems to have been a fair trade.

Yet throughout Israel there is still a feeling of unease about the prospects of the peace. The feeling is not confined to the fanatics who hold Sinai to be Israel's divine gift, and who view a peace with Arab states as by definition an impossibility.

For despite the security arrangements in Sinai, which should prevent its employment as a base for aggression again, the loss of the desert peninsula is tangible. It has deprived this country of strategic depth and warning time, not to speak of training grounds and a vast military infrastructure.

Israel's consent to hand Sinai back helped break the ring of hostility with which all of Israel's neighbors enclosed the Jewish state. The Steadfastness Front is hardly a substitute for the one-time warlike Arab alliance under Egypt's leadership.

Yet inevitably Egypt will restore its relations with the other Arab states including avowed enemies of Israel, like Iraq. At the same time the prospects for widening the peace to include other states remain dim. The reason is that even those Arab countries that rate in the West as "moderates" can only contemplate peace in terms that are wholly anathema to Israel. Their concept of peace — by which they really mean, at best, non-belligerence — is predicated on the setting up of a Palestinian — meaning a PLO — state in Judea, Samaria and Gaza. This is the essence of the Fahd Plan.

Indeed Egypt itself, after some uncertainty on the subject during President Sadat's lifetime, has now come out in support of the idea of a Palestinian (though not necessarily a PLO) state. True, Egypt is committed, as Mr. Mubarak has reaffirmed, to a transitional scheme of autonomy for the Palestinians, during which the issue of sovereignty would be in abeyance. But Egypt's idea of autonomy is still wholly at odds with that of Israel. The resumption of the autonomy talks soon is bound to bring this out again.

Such, it seems, are the difficulties and disparities between Egypt and Israel that cause the feeling of unease in this country. Whether this is entirely warranted is another matter.

That the cession of Sinai would entail the loss of some distinct military benefits was clear from the outset. But the belief that the retention of Sinai could itself guarantee Israel's security received a fatal blow in October 1973. Plainly, Israel is still powerful enough to take on the combined strength of the Arab world, even without Sinai. This situation need not be substantially affected by Mr. Mubarak's fence mending with the other Arab states — which, he has repeatedly stated, would not be at the expense of ties with Israel.

The clash of views between Egypt and Israel in the matter of the autonomy is, however, a serious problem.

It stems from the apparent intention of each country, in violation of its implied undertaking at Camp David, to fashion the kind of autonomy that would provide, in advance, the kind of outcome favoured by itself. In this controversy, however, Israel enjoys one major advantage over Egypt. Whereas Egypt can only propose and protest, Israel is able to create facts on the ground. Israel has been creating such facts especially during the three years since the peace treaty came into effect.

These may influence normalization under the peace no less adversely than the rapprochement between Egypt and its estranged friends in the Arab world. It will take reasonableness on both sides to keep the peace on an even keel.

FALKLANDS

(Continued from Page One)

described the British attack on the Argentine submarine as "treacherous" and accused Britain of committing an act of war.

British Prime Minister Margaret Thatcher and her senior cabinet ministers received a military briefing yesterday on the situation.

Yesterday's attack was the first military action since the fighting on South Georgia 22 days ago and the first time the British navy had been in a hostile engagement since the abortive Suez invasion of 1956.

Authoritative sources said that about a dozen men of the navy's

crack special boat squadron were landed on South Georgia on Thursday from a British submarine, and prepared the way for the main force to land yesterday.

The sources added that the main landing force numbered 44 men, plus a mortar team.

The advance team, after reconnoitering the Argentine positions, radioed details back to the task force.

Defence sources indicated earlier this week that there were between 50 and 100 Argentine troops on South Georgia, but made no mention of any Argentine submarine being there.

Last night British government sources identified the attacked Argentine submarine as the 1,870-ton American-built Santa Fe, of World War II vintage, which usually carries a crew of between 82 and 84. It is one of four submarines in the Argentine navy.

British officials stressed that the attack on the submarine and the landing on South Georgia did not mean Britain had declared war on Argentina.

"We haven't declared war on anyone," said one highly placed official.

Costa Mendes, on his arrival at Washington's National Airport, was asked if the fact that shots were fired would end the effort for a diplomatic settlement.

"There is never an end to diplomacy," the Argentine diplomat replied.

The peace: phase II

The Israel-Egypt peace agreement was a breakthrough, not the millennium, writes the Post's YOSEF GOELL. Now that Israel's millennial withdrawal from Sinai has been completed, the fate of the peace will depend to a large extent on the U.S.

APRIL 25, 1982 has come and gone. Yamit and its settlements have been evacuated according to schedule and with them all of the remainder of Sinai, an evacuation accompanied by a theatrical attempt to generate an aura of trauma. Mr. Begin has succeeded in squelching the second thoughts in his own party and government in regard to the Camp David accords, which should have come as no surprise given the fact that a majority of Herut had either voted against the Camp David agreements or abstained, but nonetheless continued to reaffirm Mr. Begin's leadership. The Egyptians have been provided in making last minute rectifications of whatever military violations they had been guilty of in Sinai as a condition for Israel's withdrawal on schedule.

The Multinational Force, consisting mostly of American soldiers, whose purpose is to police the military aspects of the peace and of the demilitarization of Sinai, has been in place for several weeks. The first three-year phase called for by the March 1979 peace treaty has been completed.

The millenarian euphoria in Israel that accompanied Anwar Sadat's visit to Jerusalem in November 1977 is long gone, having lasted barely a few months. It has been replaced with a sense of trepidation in regard to Egypt's determination to adhere to the peace which Sadat so courageously concluded with Israel in the teeth of the opposition of all the other Arab states, now that Egypt has got what Sadat realistically believed was the maximum obtainable from Israel by means of the carrot of peace and normalization.

Above all there is an attitude of fatalism in regard to the American pressure that is expected to develop on the Palestinian aspects of the peace treaty now that Washington no longer has to be so excruciatingly solicitous of Israel's sensibilities following the final withdrawal from Sinai.

Much of what the immediate future holds in store is nebulous, being dependent on a large number of imponderables. Still, reasonably valid statements may be made as to probabilities. One can extrapolate from some basic aspects of Middle East realities and of the Arab-Israeli dispute that have not been altered by the peace treaty and from a contemplation of the developments in Israel's relations with Egypt over the past three years.

EGYPT under Sadat would have wished to effect a return to the bosom of the Arab world following its regaining of all of Sinai; Egypt under Mubarak is determined to do so. The expulsion of Egypt from the Arab League and the declaration of an Arab boycott of Egypt in retaliation for its "sin" of concluding a peace treaty with the enemy, never had any serious practical impact. Cairo is again full of visitors from Arab countries, and well over a million Egyptians continue to send home the bulk of their incomes from the jobs they hold throughout the Arab world, which remains a mainstay of the Egyptian economy.

Still, the symbolic "excommunication" rankles, especially to an Egypt which continues to view itself as the rightful leader of the Arab world, in contrast to the oil besotted "primitives" who have sought to displace it.

The Egyptian leadership has promised that their intended rapprochement with the Arab world will not be effected by Egypt's adherence to the terms of the peace treaty. This promise should not be taken at face value in all that pertains to what Israel calls "normalization," as opposed to the more basic aspect of the peace, in the sense of Sadat's promise of "No more war."

The normalization of the past three years has been largely perfunctory and symbolic in nature. The desire to establish warm mutual relations and to fix them in a myriad of pragmatic arrangements has been largely one-sided, on the part of Egypt. Egypt has been an inveterate foot-dragger in this regard. To be sure, a number of agreements have been concluded, but for the most part they are signally lacking in the spirit of a mutual desire for close relations.

The Egyptians have made no secret of the fact that while they have concluded peace with Israel this does not mean that they have to like Israel. It is Israel that has behaved in an immature manner in this regard, often like a love-starved puppy, in the expectation that states, and even peoples, can realistically be expected to love each other.

The past three years have shown that there is little to expect from Egypt in stepped-up trade. Our economies are simply too different — one of the world's poorest and most class-ridden populations alongside an economy and society of a Western Europe level — and in some cases too competitively similar, to permit that. The political, business and opinion-forming elites of Egypt seem to continue to be supersensitive to what they perceive as the danger of the strengthening of Israel by means of her aggressive "penetration" into the Egyptian society and economy.

Sadat's most impressive achievement was the psychological breakthrough in regard to the possibility of maintaining civil relations between the political leaderships of the two countries. The major failure of the normalization has been the Egyptian leadership's reluctance, and inability, to extend such relations to broader segments of the Egyptian elite, and especially to its intellectual and opinion-forming elites.

A return of Egypt to the bosom of the Arab world does not necessarily have to lead to a renewed involvement of Egypt in hostile Arab activities against Israel. But as long as the dedication to the ideal of the annihilation of Israel remains a central symbol of Arab unity, and indeed of the very essence of Arabness, as it does, a more Arab Egypt can only mean an erosion in the woefully skimpy normalization with Israel that has been achieved over the past three years.

SADAT initiated his peace overtures to Israel for two major reasons. One was Egyptian war weariness and a deep-seated bitterness at the realization that Egypt had borne the brunt of the casualties, suffering and destruction in wars that had been fought in the interests of other Arabs, and especially of the Palestinians. This

was combined with a sophisticated reading of the state of the Egyptian armed forces which had not yet fully recovered from the calamities of the Yom Kippur War, coupled with an appreciation of Israel's ability to inflict major damage on Egypt, and fatal harm to his own regime if he were to permit himself to be dragged into another war by the Arab world.

Of greater importance was the fact that Sadat's major goal was not so much peace with Israel as the winning of American military and economic aid of a magnitude that neither the Soviets nor the oil sheikhs could or were willing to provide. Peace with Israel was the price to be paid, not the goal aspired to.

Nothing has changed on these two counts in the past four and a half years. It is certainly possible to conceive of a scenario in the future in which an Egyptian leadership could be tempted to return to the cycle of periodic wars with Israel. After all, Egypt is very much part of an Arab Middle East, which is one of the most unstable areas in the world. Whether or not such temptations will be resisted will continue to depend on Egypt's perceptions of Israel's internal morale and military and economic strength and on America's determination to use its growing economic and military leverage over Egypt to prevent hostilities between two of its major client states, which between them account for such an overwhelming proportion of its foreign aid.

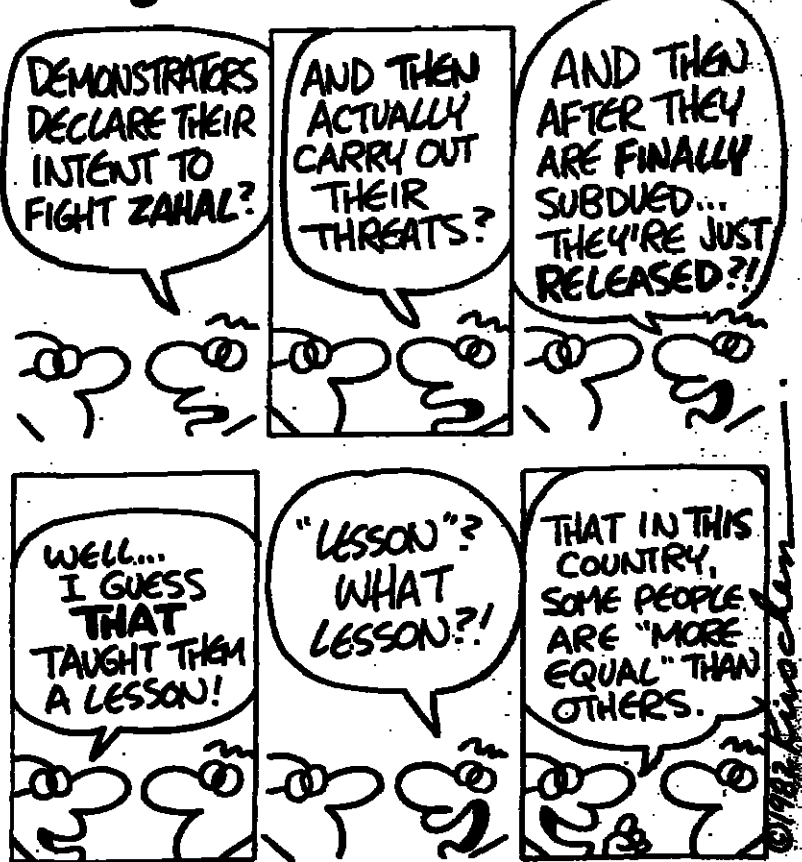
THERE HAS never been a peace process. The term itself is one of those instances of diplomatic wishful thinking. The failure of the Israel-Egypt breakthrough to be turned into a process by which other Arab states would be drawn in the same direction became conclusively evident with the failure of the Saunders mission in the immediate aftermath of the Camp David summit. It is delecting to admit, but nevertheless essential to emphasize, that the intensity of Arab hostility to Israel has grown rather than abated since the Sadat initiative.

These past few years would seem to bear out the assumption that the Arab-Israeli dispute is of the kind that permits of no comprehensive solution but will in time — and that time can be several decades or even generations — succumb to piecemeal arrangements and eventually fade away.

AUTONOMY was a non-starter from the beginning. It began as a pet idea in Menachem Begin's mind and was thrown into the Camp David stewpot as a last minute proposal to make a minimal Egyptian-Israeli peace possible. The second it was rejected by the Palestinians — in a tragic repetition of the all-or-nothing pattern that has characterized the Palestinian political leadership since the 1930s — it became pointless. The astonishing thing is how intelligent Egyptians, Israelis and Americans agreed for three years to go through the motions of haggling over the fine points of a plan that they all knew had absolutely no chance of acceptance.

The Israeli occupation of the terri-

Dry Bones



ties over the past 15 years was so easy — even the disturbances in the West Bank over the past few weeks can be considered minuscule by the standards of international conflicts — because the military administration was wise enough to grant the Palestinian Arabs a larger degree of functional autonomy than that accorded them in the previous 19 years under Kings Abdallah and Hussein of Jordan, and of the harsh Egyptian military administration in Gaza.

Begin never considered giving the Palestinians much more. A degree of autonomy that might have proven attractive to some elements among the Palestinians in the territories would only have been one that would have guaranteed an early evolution of full Palestinian independence. And that, Israel cannot and will not agree to, regardless of the government in power, because of the innate peril to her own security from a Palestinian entity that shows not the slightest sign of making its peace with the very idea of a Jewish Israel.

IN THE short term the most important factor, and the greatest unknown, remains the U.S. Only the U.S. has the power to compel Israel to make major concessions against its will and better judgement and to restrain some of the Arabs, including Egypt, from returning to the path of war.

There is widespread agreement that Israel will be subjected to mounting American pressure on the Palestinian issue following the withdrawal from Sinai. Opinion is divided as to the limits of that pressure. There is good reason to

believe that Washington will not go all out in bringing inexorable pressure to bear against Israel on issues that can legitimately be perceived as entailing unacceptable dangers to its security.

The limits and the persistence of that American pressure will depend on a number of factors. The degree to which the Middle East retains a position of centrality in the eyes of American policy-makers as compared with other crisis centres in the world, and the degree to which the Palestinian issue continues to be perceived as being crucial to Middle East stability, are two of them. Both of these issues are in debate in the American foreign-policy community.

Another factor, obviously, is the perception of American and western vulnerability to Arab pressure. The power of Arab oil has declined noticeably in the last year. On the other hand, the power of petrodollars, of the Arabs' oil-generated financial leverage over the national economies and the private business firms of the West seems to have grown, with a persuasive case in point being the business lobbying for the AWACS deal last fall.

A final, and important factor, will be the degree to which Israel's own behaviour continues to erode its image and political support in the American political community.

The Israel-Egypt peace was never the millennium. It was an important breakthrough, and for Israel a gamble whose advantages and perils will only begin to become apparent as of today.

Readers' letters are on page 5

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